A SPECIAL REPORT: MEN'S FASHION

Herald INTERNATIONAL Tribune

TODAY: STAGE — African Music, Page 10

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper | Paris, Wednesday, July 2, 1997 | No. 35,562

U.S. Backs Boeing Deal

EU's Review Faces a Friday Deadline

Compiled by Our Staff From Dispatches

WASHINGTON — U.S. regulators said Tuesday that they would not challenge Boeing Co.'s planned $14 billion purchase of its longtime rival, McDonnell Douglas Corp., a deal that would create the world's largest aerospace company.

The Federal Trade Commission's action now shifts antitrust attention to Europe, where the companies still need approval from the European Commission, which has expressed concern about several aspects of the acquisition.

In particular, European antitrust authorities have questioned long-term contracts that Boeing has negotiated to be the exclusive supplier of aircraft to three major American airlines.

In its ruling, the Federal Trade Commission said that McDonnell Douglas "can no longer exert a competitive influence in the worldwide market for commercial aircraft."

It added: "There is no economically plausible strategy that McDonnell Douglas could follow, either as a stand-alone concern or as part of another concern, that would change that grim prospect."

"On its face, the proposed merger appears to raise serious antitrust concerns," four commissioners said.

But because Boeing and Airbus represent all but a small fraction of the commercial airliner market, "We do not find this merger will substantially lessen competition."

See MERGER, Page 4

'Astonishing' Market Comes Storming Back

U.S. Stocks Post Best 2d Quarter Since 1938

By David Barboza
New York Times Service

NEW YORK — Three months ago, investors were worried about the Big One.

The U.S. stock market was sinking fast, headed toward its worst setback since 1990. And bearish strategists, many of whom had long forecast an end to one of the greatest bull markets in history, were gloating.

Then the market stormed back, and in the quarter that ended Monday, the Dow Jones industrial average gained 16.5 percent, its largest second-quarter gain since 1938, and the fifth-largest gain for any quarter since the end of World War II.

By the closing bell Monday — the last day of the quarter — the Dow stood at 7,672.79, about 1,200 points ahead of where it began the year. For the day, the Dow fell 14.93 points, but by registering a gain in the quarter just ended, it has now risen in 10 consecutive quarters for the first time since the early 1950s.

On Tuesday, the Dow continued its climb, rising 49.54 points to 7,722.33.

"It's astonishing," said Byron Wien, the U.S. investment strategist at the brokerage house Morgan Stanley & Co. "At the beginning of the year, many were apprehensive because we'd had two good years in a row, and almost invariably the third year was down. But the fact is we're having a great year."

Few Wall Street analysts, however, expect the pace to continue. Many think the Dow will close the year lower than where it is now, which would be considerably higher than where it was when the Federal Reserve Board's chairman, Alan Greenspan, first suggested in December that the market may have been infected with "irrational exuberance."

Still, Wall Street and Main Street are exhilarated at the kind of year that is unfolding. What makes the run impressive is that it has come at a time when many strategists would have been pleased with a 10 percent gain at year's end. But for the last six months, investors and strategists alike have been dazzled by a stock market that has done nothing less than rewrite the history

See INVEST, Page 12

The Dollar		
New York	Tuesday @ 4 P.M.	previous close
DM	1.7468	1.7455
Pound	1.6597	1.6847
Yen	114.90	114.645
FF	5.886	5.8802

The Dow		
change	Tuesday close	previous close
+49.54	7722.33	7672.79

S&P 500		
change	Tuesday @ 4 P.M.	previous close
+5.28	891.08	885.75

HINTS OF AN ULTIMATUM FOR TAIPEI

Taiwan's Turn Next, Chinese Leader Says

Emmanuel Dunand/Agence France-Presse

A man making his feelings known as pro-democracy marchers tested the waters in the new Hong Kong on Tuesday.

By Patrick E. Tyler
New York Times Service

BEIJING — Returning home after reclaiming China's sovereignty over Hong Kong, President Jiang Zemin appeared before a huge crowd at the Workers Stadium here Tuesday and called on Taiwan to be next by taking "concrete steps" toward "the complete reunification of the country."

He said that Beijing's successful management of Hong Kong's transition would "set an example for a smooth return of Macau and for the final solution of the Taiwan question."

[Taiwan again rejected Beijing's desire to reunify under the Hong Kong system, The Associated Press reported Tuesday from Taipei. "The Hong Kong model not only can't be applied to Taiwan for objective reasons, it also goes against the aspirations of Taiwan's 21.5 million people," said Chang King-yuh, chairman of the Mainland Affairs Council.]

Taiwan has been estranged from the mainland since the Communist victory in 1949 and remains an independent territory whose security has largely depended on the United States for half a century. Taiwan's response to Beijing's entreaties for reunification has been that it will do so only when China has become an open and democratic society.

Mr. Jiang's remarks were significant because they reflected the determination of the leadership in Beijing to press for a "programmatic" return of Hong Kong, Macau and Taiwan, which many analysts have interpreted as setting a timetable, or ultimatum, for reunification with Taiwan early in the next decade.

Appearing Tuesday night with the collective Communist Party leadership with whom he shares power, Mr. Jiang said the party would unveil a blueprint for reform during the 15th Party Congress this fall. It will be the first such gathering that Mr. Jiang will supervise without powerful guidance from Deng Xiaoping, the paramount leader who died in February.

"We will map out a comprehensive strategic plan for reform, development, stability and other major issues in our country and put forward a plan of action," Mr. Jiang told the crowd of 50,000 party members and guests.

In an evening of laser lights shows, choral performances by 10,000 singers and patriotic dance numbers played out with swirling costumes on the floor of the soccer stadium, Mr. Jiang spoke about a future in which Macau and Taiwan would follow Hong Kong back to China under the "one country, two system" formula.

And in an extraordinary political develop-

See CHINA, Page 7

A New Order Takes Its Place In Hong Kong

By Velisarios Kattoulas
International Herald Tribune

HONG KONG — On their first day in charge and backed by a low-key injection of 4,000 Chinese soldiers, the new chief executive of Hong Kong and the president of China vowed Tuesday to preserve Hong Kong's prosperity and freedoms, but democracy activists again took to the streets to challenge the new order.

"The overwhelming majority of the laws previously in force will be maintained," President Jiang Zemin said in a speech before departing for Beijing after a night of ceremony and celebration. "Hong Kong residents will enjoy their rights and freedoms in accordance with law and all will be equal before the law."

In another speech marking the transfer of Hong Kong from British rule, Beijing's hand-picked chief executive, Tung Chee-hwa, vowed to keep the economy free and vibrant, and promised there would be tolerance of dissenting views under Chinese rule. But he insisted, as he has in the past, that the public uphold "fine traditional Chinese values" including "collective responsibilities."

Nostalgia and wretched excess as the flags are changed. *Page 2.* • **A prayer session on a soccer field.** *Page 6.* • **The setting sun of empire looks golden to Bermuda.** *Page 7.*

"We value plurality," he said, "but discourage open confrontation; we strive for liberty, but not at the expense of the rule of law; we respect minority views, but are mindful of wider interests; we protect individual rights, but also shoulder collective responsibility."

As expected, Beijing's appointed legislature for Hong Kong voted early Tuesday to restrict public demonstrations, but democracy activists took to the rain-soaked streets demanding free and fair legislative elections immediately. Mr. Tung has promised elections in May.

"We want democracy. We want it now," demonstrators shouted during a march organized by the Alliance in Support of Democratic Patriotic Movements in China, a group condemned by Beijing.

The demonstration, which Hong Kong's government-run radio said attracted 10,000 protesters, also demanded that China reverse the convictions of those who took part in the student-led protests in Tiananmen Square that were crushed by the military in June 1989.

"We have proved our point that we intend to demonstrate and that we can demonstrate peacefully," a spokesman for the group said. "This is what democracy is all about, and we will not lose it."

The arrival at dawn of 4,000 more Chinese troops, which had been announced in advance by Beijing, nonetheless irritated Britain and the United States, which both reminded China of its agreement to preserve Hong Kong's freedoms for 50 years.

"We will continue to express our deep and abiding interests in the freedom and well-being of the people of Hong Kong," Secretary of State Madeleine Albright said before

See HONG KONG, Page 7

Rahyn Beck/Agence France-Presse

HANDOVER HANGOVER — Sweepers cleaning up Tiananmen Square in Beijing on Tuesday, after celebrations of Hong Kong's return to Chinese rule. The festivities took place under severe guard. Page 7.

Beheading Case Shakes Japan

Did School Stress Turn 'Everyboy' Into a Monster?

By Sheryl WuDunn
New York Times Service

TOKYO — In the neighborhood where one of the country's grisliest murders occurred, the streets are straight and clean, with names like "Tokyo University," and the crowded spots are cram schools, not bars.

As scrutiny focuses on the 14-year-old boy who lived in this neighborhood and who is accused of murdering and beheading another child, new facts are emerging about him that are deeply unsettling to the nation.

The boy comes from a perfectly normal background. He lived with his parents on the right side of the tracks in a nice middle-class neighborhood, he went to cram school and he played Ping-Pong with his family.

In short, he does not come across as a deprived or tormented youth, so that people might easily dismiss the case as understandable if tragic. Instead, he comes across as a Japanese Everyboy.

That is triggering renewed national discussion of whether Japanese society itself is in some way partly to blame. In particular, some social critics are worrying that academic pressure and the regimented nature of society are turning some children into monsters.

"We need to recognize that the stress level of our youngsters is reaching a dangerous level, and so our first task is to alleviate all this accumulated pressure," said Nobuto Hosaka, a Democratic Socialist member of Parliament who specializes in educational issues. "Rather than piecemeal change, I think we need shock treatment."

Japan's education minister has initiated a movement to expand the "education of the heart," a reference to moral education, in schools across the country. And schools in the Suma Ward of Kobe, where both the ninth grade suspect and his victim lived and sometimes played together, held assemblies this week to talk about the slaying.

The ninth grader reportedly has con-

See MURDER, Page 6

Clinton Putting Big Wager on Beijing

By Thomas W. Lippman
Washington Post Service

HONG KONG — With the Chinese Army's entry into Hong Kong on Tuesday morning, the chips are on the table for the biggest foreign policy gamble of President Bill Clinton's second term.

The president and his senior advisers are wagering that they can forge a constructive, mutually respectful relationship with China, a relationship that can overcome wide differences over trade, regional security, weapons proliferation and human rights. If the administration has developed a fallback strategy to put in place should the gamble fail, it is not evident.

NEWS ANALYSIS

In Mr. Clinton's first term, he bet the farm, so to speak, on President Boris Yeltsin of Russia. He collected his winnings in Denver last month when a vigorous, freely re-elected Mr. Yeltsin, acquiescent in the expansion of the North Atlantic Treaty Organization, stood by his side as a partner in the Summit of the Eight.

The outcome of the wager on China may take longer to register. During her visit here for ceremonies marking Hong Kong's reversion to Chinese sovereignty, Secretary of State Madeleine Albright urged audiences to think of "a movie, not a snapshot," in which the content of reels not yet filmed will determine Washington's appraisal of

See GAMBLE, Page 6

Easy Money: A Fake Death Overseas

By Joseph B. Treaster
New York Times Service

NEW YORK — Swinging his car ont to pass on a country road in South America, Javier Mozo found himself in the path of a roaring, smoke-belching cross-country bus. Swerving off the road, the car flipped and rolled.

Somehow, Mr. Mozo crawled out of the wreckage alive. But his brother Ernesto was not so lucky. He died in Mr. Mozo's arms.

Or at least that is what Ernesto's wife, Maria Magdalena Santos, and Javier Mozo told the Northwestern National Life Insurance Co., which had insured Ernesto Mozo's life for $500,000.

As confirmation of the death, Ms. Santos sent the small Minnesota insurer — since renamed the Reliastar Life Insurance Co. — a death certificate issued by the city morgue in the Colombian town of Santa Marta. And when an investigator came calling, Javier Mozo provided a moving account of his brother's death and showed him a vault in the San Miguel Cemetery with a plaque inscribed with Ernesto Mozo's name.

But in yet another instance of a fraud that has been increasingly plaguing the American life insurance industry, everything about Ernesto's supposed demise turned out to be false. The death certificate had been forged. The cemetery vault had been rented. And eventually, Ernesto Mozo even turned up, very much alive.

People have been trying to collect on life insurance policies without actually dying almost since life insurance was invented. But in the last few years, a new twist has emerged in which the deception is carried out mostly on paper, from forged police reports to false death certificates.

Though the cases may number only in the hundreds every year, they are setting off alarms among life insurers.

More and more residents of the United States have ties to developing

See FRAUD, Page 4

Newsstand Prices			
Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 Rials
Egypt	E£ 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Italy	2,800 Lire	Spain	225 PTAS
Ivory Coast	1,250 CFA	Tunisia	1,250 Din
Jordan	1,250 JD	U.A.E.	10.00 Dirh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

AGENDA

AFP

Mitchum acted well into his 70s.

Clinton Backs Internet Free-Trade Zone

WASHINGTON (Combined Dispatches) — President Bill Clinton said Tuesday that the United States would ask the World Trade Organization to create a "free trade zone" for Internet commerce within a year.

The president made the announcement as he unveiled a comprehensive policy to promote electronic commerce within the United States by limiting sharply government regulation and taxation of Internet activity.

Mr. Clinton said the U.S. trade representative, Charlene Barshefsky, would present the American position to the world trade body.

"Electronic commerce is like the Wild West of the economy," he said, adding, "We hope to harness its full potential for increasing productivity and growing the economy, bringing prosperity to the American people and individuals worldwide."

(Reuters, AP)

Robert Mitchum, Actor, Is Dead at 79

LOS ANGELES (AP) — Robert Mitchum, 79, who starred in more than 100 movies, died in his sleep Tuesday at his home.

Mr. Mitchum had been suffering from emphysema and was diagnosed in the spring as having lung cancer.

He remained a star for half a century despite a marijuana arrest early in his career and other scandals. He brought a powerful presence to the screen, yet never won an Oscar.

Revelry and Politics / **'One Country, Two Parties'**

Nostalgia and Wretched Excess as Hong Kong Changes Flags

By Alison Dakota Gee
Special to the Herald Tribune

HONG KONG — Hong Kong is one of the wealthiest places on earth, proudly flaunting the highest per-capita count of Rolls-Royces in the world. Even though its sovereignty changed hands Tuesday, its status as one of the world's centers of wretched excess remains reassuringly the same.

Exhibits A and B were the handover balls at the Regent Hotel. When the Regent, one of the former colony's five-star establishments, announced in April that it would be staging the "Parties of the Century" on two successive nights to observe Hong Kong's return to China, revelers from all parts of the world quickly lined up (via fax, post, telephone and e-mail) for tickets.

The Regent billed its June 30-July 1 celebrations as "One Country, Two Parties," a tongue-in-cheek nod to Beijing's pledge to view the relationship between Hong Kong and China as "One Country, Two Systems."

The "Handover Extravaganza" on Monday night was an imaginative journey back through the British Empire. An ersatz colonial governor and Miss Britannia presided over the celebration. Snake charmers jetted in from India. Six tribal dancers came from South Africa. Dozens of buffet tables groaned with delicacies from the former colonies.

The fare ran from African ostrich tartare to Caribbean grasshopper pie to Wolfgang Puck's gourmet pizzas. (The Austrian-born Mr. Puck, chef of Spago in Los Angeles, flew in Monday afternoon to represent a former colony, the United States, for the two nights of parties.) Jeremiah Tower, the chef-owner of San Francisco's Stars restaurant, brought the cuisine of America's many Chinatowns.

At midnight, colonialism was symbolically ushered out of the Regent. A rank of Scottish bagpipers marched through the lobby and out the front doors, the whine of their instruments trailing behind them.

Huge Chinese drums began to pound as the hotel was transformed into a Chinese palace. Waiters doffed their colonial uniforms and slipped into red silk jackets with five yellow stars sewn on. Miss China, sheathed in a tight red silk dress, ascended a stage in the middle of the hotel lobby.

And yet, as rambunctious as the scene at the Regent was, there were, surprisingly, moments of collective reflection.

What made the event more than a well-appointed fete for the privileged and the moneyed were the emotional heights and depths of watching Hong Kong, with its vibrant economy and relative political freedoms, proceed into an unknown future under Chinese rule.

At midnight, the well-heeled crowds huddled around television monitors, watching the official ceremonies, as Prince Charles handed Hong Kong back to the Chinese. When the British flag was lowered a towering man with a red beard and in a kilt, discreetly wiped his eyes.

When the Chinese president, Jiang Zemin, and foreign minister, Qian Qichen, flashed onto television screens, several in the crowd hissed. But when the red, star-laden Chinese flag was hoisted up the staff, tables of well-dressed Chinese partygoers applauded.

Sophie Benge, a British Hong Kong resident for four years, spent four days creating a Regent ball handover costume: The top layer paid homage to the Union Jack; the layer underneath featured a tight tank top with a Chinese flag, velvet shorts with Chasing Dragon embroidery.

British and Chinese colors were part of the costumes for two days of parties at the Regent Hotel, which included a farewell appearance by Miss Britannia and a mock colonial governor.

At midnight Monday, she and a group of five blonde London women, each with a clipped accent and a Chelsea pedigree, stripped off their colonial sheaths for the camera crew of Britain's International Television Network, yelling "Welcome China!"

Seconds later, Ms. Benge, 31, said in a wavering voice, her mascara melting into sad smears around her blue eyes, "In the light of the event, it didn't really seem like the right moment for a cabaret striptease."

"My cheeks are quivering," she said quietly. "My rib cage feels so hollow.

"Hasn't Hong Kong been fine for Chinese people? Now that China is taking over, can you honestly say Hong Kong is going to become a better place now?"

She paused and added: "No, not really. In the past 10 seconds, life here has changed forever."

Others at the Regent also remarked at the emotional sting delivered at the stroke of midnight. "I have mixed feelings," said Kelly Ng, a British-born Chinese lawyer in her early 30s working in Hong Kong. Looking stunning in a tight, full-length dress cut from a Hong Kong colony flag, Ms. Ng seemed the very personification of Britain's most positive influence on its Eastern colony.

"Hong Kong came under U.K. control through violence and oppression," she said. "We've waited a long time to see colonial rule come to an end. I can't say we haven't benefited under British rule. And maybe our return to China is not going to be happily ever after. But it is the right ending. I'm 101 percent for the new China and I hope it will be a great success."

FOR Tuesday night's party, the legendary expanses of China, its most lush and distinct provinces were brought to life in the form of food (Peking duck, Sichuan chili prawns, Mongolian whitefish) and entertainment (150 fortune tellers, Shanghai acrobats and Mongolian wrestlers).

The price for the parties — 2,750 Hong Kong dollars (S354) each night — hardly seemed to matter. Tickets for both nights, 2,800 revelers on Monday and 2,500 on Tuesday, sold out.

On Tuesday, the Beijing composer Tan Dun conducted 120 members of the Hong Kong Philharmonic Orchestra and the Chinese-American cellist Yo-Yo Ma in the world premiere of his Symphony 97, a score Mr. Tan wrote for the handover ceremonies. The Cantonese pop star Jacky Cheung serenaded the crowds.

For those more interested in Hong Kong-style partying than politics, entrance to the Regent galas, especially on Monday, was the most coveted ticket in town. In May, the waiting list stretched to 500 names, many of whom called the hotel daily for a month to check their status.

In the period leading up to the event, the chairmen of multinational corporations were placing personal calls to the office of the Regent's general manager, Thomas Axmacher, "each asking for one more ticket," he said, rubbing his forehead at what appeared to be the start of a migraine headache.

THE Regent spent 7 million Hong Kong dollars on props and decorations alone. Designers transformed the lobby, which offers a panoramic floor-to-ceiling view of Victoria Harbor, into a massive Chinese junk. Representatives of each colony roamed the hotel. A performer made up as an Indian god with eight arms and a gold-painted face planted himself in the middle of the Regent's grand staircase. In another part of the hotel, Melissa, a London stylist flown in for the event, was got up with silver lips, kohl-rimmed eyes and syringes protruding from her hair, like a streetwalker from "Blade Runner."

Food-and-beverage managers report having imported 6,000 fresh oysters, 1,500 New England lobsters, 600 sides of smoked salmon, 200 kilograms of fresh prawns, 120 gallons of ice cream, and 1,800 liters of fresh orange juice. Guests consumed it all with a startling voraciousness. Some 2,400 bottles of Moet et Chandon champagne and 4,800 bottles of Wente Bros. California wines arrived in container ships.

Some partygoers seemed determined to recoup their ticket cost. "I've had around 15 glasses of Moet et Chandon," said Louise Soloway, a bleary-eyed British expatriate. (Average price per glass: $20.) "I'll try to get another five down me before I stumble home — then I should be making money off this party."

At the hotel's chocolate shop, attendants handed out freshly baked expresso souffles; piles of 15 different kinds of chocolate truffles were meticulously displayed on silver platters. Many guests were seen wrapping handfuls of them in napkins and stowing them in handbags.

Even for most enthusiastic Chinese patriots, the night brought moments poignant with melancholia.

Chris Patten, Hong Kong's last governor, departed on his voyage home aboard the royal yacht Britannia, which cut a silent swath though Victoria Harbor. Moving at a graceful pace, the ship sailed past the hotel.

At that moment, revelers, Chinese and British alike, were mostly silent, noses pressed against the Regent's enormous windows, watching the Britannia and a remarkable piece of history pass by.

Study Reveals Stress of Business Travel

Reuters

LONDON — Business travelers, especially men, are much more likely to suffer psychological problems than colleagues who do not travel, U.S. researchers said in a report to be made public on Wednesday.

Dr. Bernard Liese and colleagues at the World Bank studied insurance claims made by business travelers and found that workers who were sent overseas were twice as likely to make claims for psychological disorders.

Those who made two or three overseas trips a year were three times as likely to make such claims.

"It surprised us — we didn't expect it," said Lorraine Nagy, a health analyst who worked on the study.

Ms. Nagy said her group initially set out to analyze general health claims for 5,000 staff at the World Bank. She said the research found, as expected, that those who traveled relatively often filed more claims for infectious and minor physical maladies such as backache than those who did not travel.

But, she added, the researchers then noticed the higher incidence of claims for stress-related disorders in those who traveled.

Women fared better, the research found. While men who traveled made 80 percent more overall health claims than men who did not, women travelers only made 18 percent more.

Ms. Nagy said she had no explanation for the discrepancy. "It could be how women work, their ability to communicate their concerns, maybe to communicate better," she said. "These differences exist elsewhere with men and women."

Dr. Liese suggested that women were perhaps "just a bit sturdier."

The study found that the World Bank employees, like many business travelers, were relatively consumed by work when on the road and that pressures on such trips were often intense.

"They work through the weekend, they work though the night," Ms. Nagy said, adding that travelers then came home to face domestic challenges.

Dr. Liese said: "They first have to deal with what has gone on in the meantime, because no one has replaced them." And, "If you are coming back from Asia and you go through some time zones you are always a bit grumpy."

Ms. Nagy said that it was well known that couples often had arguments when one partner came home from a business trip, but that actual data on such behavior had never really been studied.

The researchers said that offering employees a day off at the end of a business trip "could go very far" in dealing with excess stress.

Russia Puts Curbs On Alcohol Sales

The Associated Press

MOSCOW — Vendors at small sidewalk kiosks began removing bottles of vodka from their shelves on Tuesday, complying with a presidential decree curtailing the sale of hard liquor.

As part of the government's campaign against a thriving black market in vodka and other hard liquor, President Boris Yeltsin signed a decree two months ago limiting sales of liquor with an alcohol content over 12 percent to larger stores.

Under the decree, small retailers, especially the many kiosks and street stalls, will be permitted to sell only beer and light wine.

Mr. Yeltsin also placed a limit on the amount of alcohol produced by private entrepreneurs.

Malta Cancels Value-Added Tax

Reuters

VALLETTA, Malta — Malta abolished its value-added tax Tuesday, replacing it with a system of customs and excise duties and fulfilling a pledge widely credited with having helped the Labour Party win the October election.

Local radio stations reported wide confusion over the change in the tax code following a dispute between retailers and the government over adjusting cash registers.

"Nobody can understand what's happening," said a frustrated Maltese resident. "Shopkeepers have been advised neither to raise their prices nor lower them until everything is sorted out."

The value-added tax was introduced by the Nationalist Party government on Jan. 1, 1995, as Malta prepared to join the European Union. The tax was strongly opposed by family-owned retailers, who perceived it as intrusive.

The then-opposition Labour Party said the tax raised the cost of living and promised to repeal it.

After Labour's victory in October, Prime Minister Alfred Sant suspended Malta's application to join the EU and proposed a three-tier tax system incorporating import duties, an excise tax on products and an excise tax on services, to replace the value-added tax.

But the introduction of the new system has brought a flood of complaints. The Chamber of Commerce said the new tax system had created "an environment of confusion and uncertainty" for Malta's economy.

Malta's Association of General Retailers and Traders protested that retailers would have to pay duties on stock, which could create cash-flow problems. The association also said the government should pay for modifications to cash registers to calculate the new taxes. It has told its members not to adjust their cash registers until an agreement is reached.

TRAVEL UPDATE

Strikes Ahead on British Airways

LONDON (Reuters) — Britain's Transport and General Workers Union confirmed Tuesday that it had authorized a series of 72-hour strikes by British Airways cabin crew starting next Wednesday.

The decision to proceed with strike action was taken after the union's efforts to bring the airline into talks failed. The cabin crew employees are striking over a pay restructuring package, which is part of the airline's wider commitment to trim £1 billion ($1.7 billion) in costs by the year 2000.

THG
www.hotelguide.com
book directly - save money worldwide.
THG - The Hotel Guide AG, Switzerland
Fax: + 41 41 379 09 29 E-mail: thg@hotelguide.ch

29 Airlines Fail Group's Safety Test

WASHINGTON (Reuters) — A new organization representing air travelers has begun compiling safety ratings for airlines and has failed 29 of them, the group said Tuesday.

The Air Travelers Association issued its first Airline Safety Report Card based on the fatal accident history of 260 carriers in 107 countries. The worst crash-to-flight ratios were attributed to Aviateca (Guatemala), COPA Panama, Aero Peru, Lan Chile, Lauda Air (Austria), Aeroflot Russian International, ADC Airlines (Nigeria), Air Mauritanie (Mauritania), Ethiopian Airlines, China Northwest Airlines and Xiamen Airlines (China).

The only U.S. airline to be given a failing grade was ValuJet.

The Brenner state highway, a main link between Germany, Italy and Austria, was reopened to traffic Tuesday four days after a landslide blocked the road near Prato Isarco, north of Bolzano. The main highway to the Sarentina valley, also in the South Tyrol region, remained closed as workers were trying to clear it from another landslide caused by the torrential rains that have pelted northern Italy for several days. *(AP)*

Work to restore one of Egypt's most famous monuments, the Sphinx of Giza, will be completed in December after a seven-year operation, Culture Minister Farouk Hosni announced Tuesday. *(AFP)*

Prince Walid ibn Talal is planning to build a $65 million Four Seasons hotel in Egypt's Red Sea resort of Sharm el Sheikh, the Saudi entrepreneur's office announced Tuesday. The hotel is a joint venture with an Egyptian businessman, Hisham Talaat Mustafa. *(AFP)*

Turn here for
THE INTERMARKET
Don't miss it. A lot happens there.

WEATHER

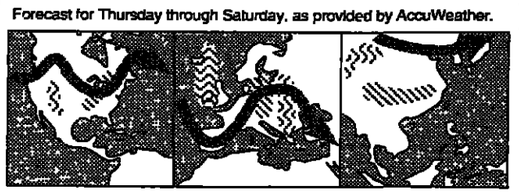
Europe

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Algarve	21/70	12/53 pc	22/71	13/55 s
Amsterdam	17/62	10/50 r	18/64	10/50 c
Ankara	29/84	9/48 pc	28/82	9/48 s
Athens	31/88	22/71 s	32/89	23/73 s
Barcelona	25/77	15/59 pc	19/66	13/55 pc
Belgrade	29/84	16/61 s	29/84	16/64 c
Berlin	25/77	17/62 pc	27/80	19/66 c
Brussels	17/62	9/48 r	18/64	10/50 pc
Budapest	27/80	17/62 pc	30/86	19/66 pc
Copenhagen	22/71	14/57 pc	23/73	16/61 pc
Costa Del Sol	23/73	13/55 pc	24/75	15/59 s
Dublin	12/53	11/52 r	16/61	9/48 r
Edinburgh	13/55	12/53 r	14/57	9/48 r
Florence	25/77	16/61 pc	28/82	16/61 pc
Frankfurt	29/79	16/61 pc	28/82	18/64 c
Geneva	21/70	14/57 r	19/66	9/48 r
Helsinki	20/68	17/62 s	27/80	18/61 pc
Istanbul	30/86	18/64 s	29/84	19/66 s
Kiev	27/80	16/61 r	26/79	16/61 c
Las Palmas	23/73	17/62 pc	22/71	17/62 s
Lisbon	19/66	11/52 pc	19/66	12/53 pc
London	16/61	11/52 sh	16/61	10/50 sh
Madrid	21/70	10/50 r	23/73	9/48 pc
Mallorca	22/71	17/62 pc	18/64	13/55 pc
Milan	24/75	17/62 c	26/79	17/62 r
Moscow	26/79	16/61 s	28/82	18/64 s
Munich	22/71	12/53 c	25/77	14/57 c
Nice	21/70	18/64 sh	24/75	17/62 pc
Oslo	24/75	15/59 r	25/77	13/55 pc
Paris	17/62	7/44 pc	17/62	8/46 c
Prague	24/75	14/57 c	28/82	16/61 c
Reykjavik	14/57	9/48 c	11/52	7/44 pc
Riga	28/82	17/62 pc	24/75	14/57 c
Rome	26/79	19/64 pc	29/84	19/66 pc
St. Petersburg	28/82	19/66 s	28/82	19/66 s
Stockholm	26/79	17/62 pc	23/73	15/59 c
Strasbourg	21/70	16/61 r	18/64	11/52 r
Tallinn	29/84	18/64 s	27/80	18/61 pc
Tbilisi	28/82	19/66 r	28/82	20/68 r
Venice	24/75	17/62 pc	26/79	18/64 s
Vienna	24/75	16/61 pc	28/82	18/64 pc
Warsaw	23/73	12/53 pc	27/80	16/61 s
Zurich	22/71	14/57 c	19/66	13/55 r

Middle East

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Abu Dhabi	38/100	25/77 s	37/99	24/75 s
Beirut	27/80	21/70 s	27/80	21/70 s
Cairo	37/99	21/70 s	37/99	21/70 s
Damascus	30/86	15/59 s	31/88	15/59 s
Jerusalem	28/82	14/57 s	28/82	16/61 s
Luxor	44/111	19/66 s	43/109	21/70 s
Riyadh	42/107	26/79 s	42/107	26/79 s

Forecast for Thursday through Saturday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Mild · Heavy Rain · Heavy Snow

North America

Sunny, hot and dry weather will expand northward from the Sonora desert across Utah and Nevada. A strong storm in southeastern Canada will cause showers and thunderstorms with heavy downpours from the Midwest into Quebec and Ontario through Saturday. Warm and humid in the East.

Europe

Unusually warm and dry from Ukraine through Belarus into Russia and Finland through Saturday, but strong thunderstorms will erupt in Poland and western Belarus, and from the Balkans to western Romania. Windy and cool over England. France and Germany with showers and areas of drenching rain.

Asia

Sunny, hot and dry across northern and western China, but gusty thunderstorms will erupt across northeastern China, mainly west of Beijing. Partly sunny, warm and humid in Tokyo, it could thunderstorm. Drenching rains are in store for south-central China. Humid with showers in Hong Kong.

North America

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Anchorage	21/70	12/53 s	20/68	12/53 pc
Atlanta	31/88	23/73 pc	35/95	22/71 s
Boston	26/79	19/66 sh	23/73	17/62 sh
Chicago	30/86	17/62 t	28/82	16/61 pc
Dallas	39/100	24/75 s	37/99	24/75 s
Denver	31/88	14/57 pc	29/84	12/53 t
Detroit	30/86	18/64 t	26/79	16/61 pc
Honolulu	28/82	21/70 pc	30/86	22/71 sh
Houston	36/97	23/73 pc	36/97	24/75 s
Los Angeles	29/84	17/62 s	30/86	16/61 pc
Miami	32/89	23/73 t	33/91	25/77 pc
Minneapolis	24/75	13/55 t	22/71	13/55 pc
Montreal	24/75	19/66 t	27/80	17/62 sh
Nassau	31/88	24/75 pc	33/91	25/77 pc
New York	27/80	21/70 sh	28/82	19/66 sh
Orlando	34/93	23/73 pc	34/93	24/75 t
Phoenix	42/107	27/80 s	42/107	28/79 s
San Fran	21/70	12/53 s	23/73	12/53 s
Seattle	21/70	11/52 pc	22/71	13/55 pc
Toronto	29/84	17/62 t	29/84	12/53 sh
Vancouver	20/68	10/50 pc	21/70	13/55 pc
Washington	28/82	22/71 sh	31/88	19/66 t

Asia

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Almaty	35/95	18/61 s	38/100	19/66 s
Bali	32/89	27/70 pc	31/88	21/70 c
Bangkok	31/88	24/75 r	32/89	25/77 c
Beijing	35/95	27/80 pc	36/97	26/79 c
Bombay	29/84	26/79 r	29/84	25/77 r
Calcutta	32/89	24/75 r	30/86	28/79 r
Chiang Mai	32/89	22/71 r	33/91	23/73 c
Colombo	30/86	25/77 pc	30/86	26/79 pc
Hanoi	30/86	27/80 r	33/91	26/79 pc
Ho Chi Minh	33/91	24/75 c	33/91	24/75 pc
Hong Kong	30/86	26/79 r	31/88	25/77 pc
Islamabad	41/106	27/80 s	43/109	28/82 s
Jakarta	31/88	23/73 pc	31/88	23/73 pc
Karachi	34/93	26/79 s	33/91	26/79 pc
K. Lumpur	31/88	23/73 sh	32/89	23/73 sh
K Kinabalu	31/88	22/71 sh	30/86	21/70 r
Manila	32/89	24/75 pc	31/88	23/73 pc
New Delhi	43/109	30/86 s	43/109	31/88 s
Phnom Penh	32/89	24/75 sh	32/89	24/75 pc
Phuket	31/88	24/75 r	32/89	25/77 c
Rangoon	32/89	24/75 r	33/91	25/77 c
Seoul	32/89	21/70 pc	31/88	21/70 c
Shanghai	34/93	25/77 pc	32/89	24/75 pc
Singapore	31/88	22/71 sh	31/88	22/71 r
Taipei	31/88	26/79 t	32/89	25/77 sh
Tokyo	28/82	25/77 r	30/86	25/77 r
Vientiane	32/89	27/80 r	32/89	26/79 pc

Africa

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Algiers	28/82	14/57 s	28/82	16/61 s
Cape Town	17/62	8/46 pc	18/64	5/41 pc
Casablanca	19/66	12/53 pc	19/66	14/57 s
Harare	23/73	11/52 c	24/75	10/50 s
Lagos	28/82	22/71 c	27/80	22/71 sh
Nairobi	22/71	11/52 sh	23/73	11/52 c
Tunis	36/97	22/71 s	36/97	22/71 s

Latin America

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Buenos Aires	11/52	-1/31 s	9/48	-6/22 sn
Caracas	31/88	23/73 pc	31/88	24/75 pc
Lima	21/70	16/61 pc	20/68	17/62 s
Mexico City	26/79	15/59 sh	20/68	13/55 c
Rio de Janeiro	26/79	19/66 pc	26/79	21/70 s
Santiago	9/48	-3/27 pc	6/43	-1/31 c

Oceania

	Today High C/F	Today Low/W C/F	Tomorrow High C/F	Tomorrow Low/W C/F
Auckland	15/59	12/53 r	15/59	10/50 r
Sydney	15/59	10/50 sh	14/57	10/50 r

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hce, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

A two-month trial subscription.
Save up to 60%
Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning **AND** save up to 60% off the newsstand price.

COUNTRY/CURRENCY		2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,456	650	55%
BELGIUM/LUXEMB.	BEF	3,380	1,350	60%
DENMARK	DKK	780	360	54%
FINLAND	FIM	624	310	50%
FRANCE	FF	520	210	60%
GERMANY	DEM	182	72	60%
GREAT BRITAIN	£	47	22	53%
HONG KONG	HK$	676	284	57%
ITALY	ITL	145,600	58,000	60%
JAPAN	¥	26,000	12,150	53%
MALAYSIA	RM	182	101	44%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	632	390	53%
SINGAPORE	S$	146	82	43%
SPAIN	PTAS	11,700	5,000	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	166	66	60%
USA	$	78	33	58%

FOR OTHER COUNTRIES, PLEASE CONTACT YOUR NEAREST IHT OFFICE

Yes, I would like to start receiving the International Herald Tribune.
☐ *My check is enclosed (payable to the IHT)*
Charge my: ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
For ex-US and Asian prices, credit cards will be charged in French Francs at current rates.
Card No: _____ Exp. Date: _____
Signature: _____
For business orders, indicate your VAT No: _____
(IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name: _____
First Name: _____ Job Title: _____
Mailing Address: _____
City/Code: _____
Country: _____
Home Tel No: _____ Business Tel No: _____
E-Mail Address: _____
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 2-7-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
EUROPE, MIDDLE EAST & AFRICA
181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, France
Fax: +33 1 41 43 92 10. Tel: +33 1 41 43 93 61
THE AMERICAS
850 Third Avenue, New York, N.Y. 10022-6275, USA
Fax: +1 212 755 8785. Tel: (toll free) 1-800-882-2884
ASIA
7/F Malaysia Bldg, 50 Gloucester Rd, Wanchai, Hong Kong
Fax: +852 2922 1199. Tel: +852 2922 1171
E-Mail: subs@iht.com Asia: subshk@ihthk.com
Offer valid for new subscribers only. HA7M

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris

صكذا من الاصل

THE AMERICAS

Volcano Ash Blows Over Mexico City

Compiled by Our Staff From Dispatches

MEXICO CITY — The Popocatepetl volcano has blown a cloud of ash and acrid gases over Mexico's sprawling capital in its biggest explosion in 70 years.

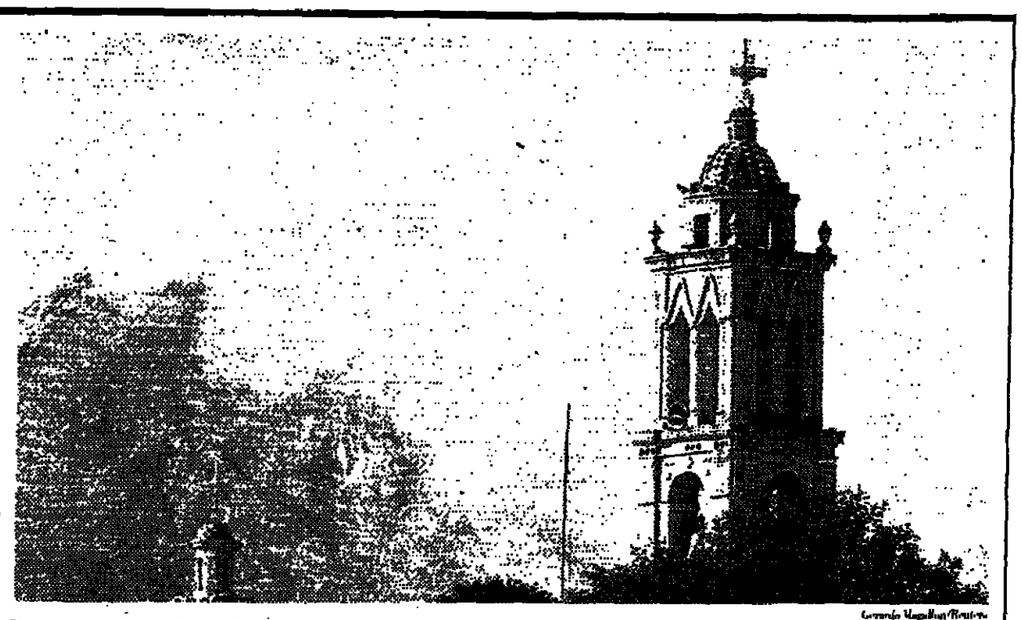
A mushroom cloud that formed above the crater Monday blew across the city, bringing a drizzle of black ash that smeared car windshields and forced the closure of the airport.

Alarmed residents complained of burning eyes and throats, and the authorities urged the city's 18 million people to stay indoors and close their doors and windows. Those who needed to go outside were advised to wear goggles and a face mask.

Drivers, forced to repeatedly get out to wipe their windshields, were stuck in traffic jams for hours. The authorities closed the capital's international airport, diverting flights to the Pacific resort of Acapulco.

The volcano continued to rumble Tuesday after Monday's activity, but officials said that the volcanic action appeared to have died down.

The majestic, snow-capped Popocatepetl is 17,890 feet (5,500 meters) high, and lies 33 miles (50 kilometers) southeast of the capital.



Gerardo Magallon/Reuters

Popocatepetl spewing ash over Mexico's capital in February. Monday's explosion was the worst in 75 years.

During the 35 minutes of fiercest activity Monday, burning rocks pounded down the volcano's sides, threatening nearby villages. Ash blew mostly to the east, landing as far away as Veracruz, a port on the Gulf of Mexico 180 miles away.

Some authorities announced a red alert and prepared to evacuate people living near the volcano. But emergency officials quickly denied they had issued the alert, which means the volcano is becoming dangerously unstable.

The Interior Ministry said the police were standing by to evacuate people if the volcano grew seriously volatile, but said activity had dropped notably.

Experts said the volcano had registered its most violent activity since 1925.

The volcano has blown out ash and steam several times this year, but Monday's explosion marked the first time the grit-like ash reached Mexico City.

Army troops and emergency personnel were rushed to 30 villages at the foot of Popocatepetl to prepare for an evacuation. But inhabitants were reluctant to leave their homes because they feared their possessions would be stolen. *(Reuters, AP)*

Doctors Unite to Fight Corporate Intrusion

By Peter T. Kilborn
New York Times Service

BOSTON — In the first large organized backlash against what they call the industrialization of medicine in the United States, many doctors of Massachusetts' renowned medical schools and teaching hospitals are calling for a moratorium on corporate takeovers of health services and for curbs on the companies' intrusion into doctors' decision-making.

"It's time to put a stop to it," said Dr. Bernard Lown, 76, who, as chairman of the Ad Hoc Committee to Defend Health Care, is organizing the campaign.

"We are troubled by any organization that places an interface between the patient and the doctor," said Dr. Lown, a cardiologist and Harvard University professor who shared a Nobel Peace Prize for organizing physicians against nuclear war.

For a couple of years, America's once-independent, self-employed doctors have been agitating against the proliferating managed-care organizations that they see as jeopardizing their authority, jobs, income and patient care. A few thousand doctors, mostly in California and Florida, have joined unions to challenge the organizations.

But this is the first effort by doctors to call for changes in the practices of the managed-care groups. It comes as consumer groups and state governments across America are pushing for new laws to weaken the power of health maintenance organizations with tougher regulatory control.

By the middle of June, said Dr. Susan Bennett, 50, a primary-care physician and a campaign organizer, 1,940 Massachusetts doctors, most with ties to Harvard, had signed the committee's "Call to Action."

The Massachusetts doctors' appeal offers no alternative to the current health-care system, but the doctors' dismay at its condition is stated in stark terms.

"Mounting shadows darken our calling and threaten to transform healing from a covenant into a business contract," the petition says.

The call is scheduled to be published in the October issue of The Journal of the American Medical Association. Other doctors will then be invited to join.

Doctors, most of whom now depend on health maintenance organizations for patients, have bristled over the organizations' constraints for years, from denying treatments the doctors recommend to dictating the duration of office visits.

As health maintenance organizations, insurance companies, hospitals and the nation's employers strive to hold down the costs, they have turned to lower-paid nurse-practitioners and physicians' assistants to provide more of the care. They have also second-guessed the medications doctors prescribe.

In Massachusetts, 14 health maintenance organizations cover 45 percent of the population, one of the highest rates of any state. But with a surge of consolidation of hospitals and health services in the past two years, and the recent arrival of investor-owned hospital corporations in the state, many doctors say they have come under relentless pressure to subordinate patients' interests to those of accountants and stockholders.

Managed-care organizations maintain that they have arrested the once-soaring cost of health care, have raised the quality of care by tracking doctors' success in treating patients against national norms and have turned the focus of medicine from treating disease to preventing it.

Some doctors acknowledge that their professions' excesses helped bring on the shift to managed care.

"We don't want to go back to the days of doctors ripping off patients," said Dr. Jerry Avorn, a geriatrician and Harvard professor and one of the campaign's leaders. "Unless we acknowledge that, we're not going to be taken seriously."

Americans Waste One-Quarter of Food, Government Says

The Associated Press

WASHINGTON — More than one-fourth of the food produced in the United States spoils, is tossed out unused or goes uneaten on the plate, the government said Tuesday.

"By recovering a fraction of this food, we could get food to those in need instead of tossing it" into the trash bin, said Agriculture Secretary Dan Glickman. He urged greater use of programs that collect leftover food from restaurants and farms and distribute it to the poor.

The Agriculture Department study estimated that food lost in retail stores, restaurants and people's homes in 1995 amounted to more than 96 billion pounds (44 billion kilograms) — more than one quarter of the total U.S. food supply of 356 billion pounds.

The vast bulk of the food is lost in people's homes, where food spoils or is thrown away uneaten, and at restaurants.

POLITICAL NOTES

Amendment on Amendments?

WASHINGTON — Generally speaking, constitutional amendments are a tough sell. In fact, states still have not ratified the one that Congress passed in 1810 barring U.S. citizens from accepting titles of nobility from foreign governments.

That's right. No more counts, baronesses, shoguns, ayatollahs, Knights of Malta, Sultans of Swat, Dukes of Earl, Men Who Would Be King or Admirals of the Bathtub Fleet. Just Mr. and Mrs. America.

To ratify NONO (No Nobles Amendment) and make this egalitarian dream come true, Representative Thomas J. Bliley Jr., Republican of Virginia, may have hit on a good idea — a constitutional amendment on constitutional amendments.

Under the resolution that Mr. Bliley and a fellow Virginia Representative, Virgil H. Goode Jr., a Democrat, introduced last week, state legislatures could initiate a constitutional amendment.

If two-thirds of the states approved it, the amendment would go to Congress, where two-thirds of the House and Senate would have to disapprove it to shoot it down.

If the amendment survived, then it would head back to the states, needing final ratification by three-fourths of the legislatures. *(WP)*

A Retreat on Immigrant Issue

WASHINGTON — Nearly 500,000 noncitizens who faced the loss of their disability benefits next month have been spared.

The fine print of the balanced budget legislation passed by both the House and Senate last week restores benefits to virtually all the nation's legal immigrants who had earlier been notified that they would be cut off under the welfare law passed last August.

The 11th-hour decision eliminates one of the most controversial elements of the welfare reform law and the source of great anxiety in the nation's immigrant communities.

As the law was originally written, most legal immigrants who are not citizens were made ineligible for disability benefits. *(WP)*

Quote / Unquote:

Representative Tony Hall, Democrat of Ohio, commenting on the reaction to his bill that calls for Congress to apologize formally to blacks for slavery: "I was surprised at the hate out there. It's very much alive, the hate, the division, the wounds. The fact this little, one-sentence bill has produced so much firestorm, so much animosity, amazes me. I did not anticipate this." *(WP)*

U.S. to Test Safety Of Nuclear Arsenal

New York Times Service

WASHINGTON — The Energy Department plans to carry out the first in a series of nuclear weapons experiments Wednesday intended to assure the safety of the United States' aging nuclear arsenal.

Department officials said the tests would not violate the Comprehensive Test Ban Treaty.

Some environmental and arms-control organizations have tried to stop the tests, arguing that they are inconsistent with a post-Cold War policy of reducing the nuclear arms threat.

But the government maintains that the tests, in which scientists at the Nevada Test Site will set off high-powered explosives to measure their effect on plutonium, are needed to learn how to assure the reliability of aging nuclear weapons by some means other than blowing them up.

The experiments are allowed, the department argues, because no nuclear reaction will occur.

2 Accused of Trying to Sell Nuclear Weapons

By Mireya Navarro
New York Times Service

MIAMI — Federal agents posing as drug traffickers said their negotiations with two Lithuanians began almost benignly two years ago with the men from the former Soviet Union simply wanting to smuggle stolen cars to Lithuania.

But by the time the two were arrested Friday, investigators said the men were ready to supply munitions, anti-aircraft missiles and even tactical nuclear weapons.

Alexander Progrebovsky, 28, a Lithuanian citizen living in Palm Beach County, Florida, and Alexander Darichev, 36, also from the former Soviet Union, were being held without bond.

They appeared before a federal magistrate here Monday on charges that included conspiring to deal in explosive materials without a license and "to transfer and disperse without lawful authority nuclear materials knowing they will be used to do substantial damage to property."

Officials of the U.S. Customs Service said the case showed how readily available illegal weapons from the former Soviet Union have become since the breakup of that country in 1991. Mr. Progrebovsky and Mr. Darichev promised surface-to-air missiles and tactical nuclear weapons, the officials said, and proved to federal investigators that they could deliver them.

"There are weapons out there for sale and people available to sell them to anyone," said Dennis Fagan, head of the Customs Service here. "If it wasn't federal agents but narcotics traffickers, what were they going to use them for? It's scary."

Because their investigation was continuing, the officials refused to provide background on the two men or say whether they were part of a larger criminal network.

Over numerous meetings and telephone conversations in Miami, Lithuania and London, the two men offered to sell Bulgarian-made weapons and provided detailed information and documentation about how they would be delivered by cargo vessel from Bulgaria to Puerto Rico, according to an arrest affidavit.

Although the agents never saw the weapons, officials said the two accused men supplied the agents with enough information to convince them that they could make good on their word.

A federal grand jury is expected to meet next week to consider an indictment.

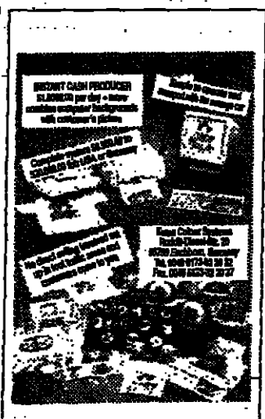
Away From Politics

• **A price increase to 33 cents for a first-class stamp** has been approved by the Postal Service board of governors. The 32-cent rate took effect in Jan. 1, 1995. The board also proposed a new 30-cent rate for bill payments and other transactions using reply envelopes that can be handled easily by automated machinery. *(AP)*

• **The death of a woman who underwent prolonged liposuction has been ruled an accident.** Judy Fernandez, 47, died as a result of hemodynamic shock, which involved blood loss and too much of the toxin lidocaine, the coroner's office in Orange County, California, said. Mrs. Fernandez received more than 14 liters of lidocaine-laced fluids during extensive liposuction and facial plastic surgery March 17. *(AP)*

• **A 44-year-old convicted murderer died** in Kentucky's electric chair in the state's first execution in 35 years. Harold McQueen was convicted of killing a 22-year-old store clerk, Rebecca O'Hearn, in a 1980 robbery while he was high on drugs. *(Reuters)*

• **An 11-year-old boy was stung** hundreds of times after he disturbed a football-sized hornet's nest while climbing a hedge in his back yard in Fort Lauderdale, Florida. Casey Jones was hospitalized in serious condition after the attack. *(AP)*



SALE
33⅓% to 50%
off original prices
on selected
merchandise
from our men's
collections

S U L K A
LONDON NEW YORK PARIS BEVERLY HILLS SAN FRANCISCO CHICAGO
19 Old Bond Street London 0171 493 4468
2 Rue de Castiglione Paris 01 42 60 38 08

SMALL LUXURY HOTELS OF THE WORLD
HOTEL LE CEP ****
Old house from 16 century in Burgundy, centre of Beaune. 53 rooms, air-conditioned, meeting facilities.
To make a reservation ... in France: call toll free 0800 90 75 16 in Germany: call toll free 0130 81 89 12 in any other country - call Belgium: +32 (0) 2 753 5811

The Zurich All Suite Hotel
your Residence in the heart of Zurich: very generous, elegant and distinguished. Ask for offer.
EMA house

CEYLAN
INTER-CONTINENTAL
ISTANBUL

The city is magical
The hotel is magnificent

The Ceylan Inter-Continental is an exquisite combination of luxurious interiors and impeccable service. For those who know the best, it is the only choice in Istanbul

For reservations, contact your travel agent, or the Inter-Continental hotel or sales office nearest you.
France 0800 90 8555 toll-free, Germany 0130 853955 toll-free
U.K.: London (0181) 847 2277, outside London 0345 581444
U.S.A. 1 800 327 0200 toll-free.

Ceylan Inter-Continental Istanbul, Asker Ocagi Cad. No. 1, 80200 Taksim Istanbul, Turkey Tel: (90) 212 231 2121
Fax: (90) 212 231 2180
e-mail:istanbul@interconti.com

One World. One Hotel
Uniquely Inter-Continental.

INTERNATIONAL

U.S. Gets a Little Tougher on Who Can Buy Supercomputers

By Jeff Gerth
New York Times Service

WASHINGTON — Addressing concerns about the sale of American supercomputers to Russia and China, the United States has added 13 foreign organizations to a list of groups that it contends are involved in secretly producing nuclear weapons and that will now require special federal approval to buy American technology.

Six organizations in Russia and China will now be on "an alert to exporters" and additional names will be added soon, William Reinsch, undersecretary of commerce for export administration, said Monday.

But some people who follow the issue criticized the publication of the list as too little, too late, pointing out that dozens of American supercomputers, many with possible military applications, have been sold to Russia and China since 1996 without federal licenses.

Monday's list, published in the Federal Register, includes organizations in India, Israel and Pakistan as well as three scientific organizations in China and two research institutes and a ministry in Russia.

Congress raised concerns after the disclosure of the sales to Russia and the discovery that China had obtained 47 supercomputers. American intelligence officials said the Chinese could use the computers to design more efficient or lighter nuclear warheads that could be put on missiles able to reach the United States.

The sales did not require government approval because they were made under greatly relaxed export controls for supercomputers issued by President Bill Clinton in 1995. Under those rules, the government transferred to companies the responsibility for screening buyers to ensure that they were not diverting sensitive technology to military uses.

"This is a good first step, but it's a baby step, and in the case of the Russian nuclear weapons lab, it comes too late," said Gary Milhollin, director of the Wisconsin Project on Nuclear Arms Control.

Mr. Milhollin was referring to the All-Russian Scientific Research Institute of Technical Physics, which was added to the alert list Monday.

Last year, Silicon Graphics Inc. of Mountain View, California, sold supercomputers to the institute, saying it did not seek government approval because it was unaware that the institute was also a weapons lab.

But the institute's nuclear weapons role has long been widely known, so much so that the Commerce Department felt no urgency, until recently, to include it on the list, according to department officials. Had the institute been put on the blacklist earlier, the sale would have been subject to federal review and probably would not have happened, the officials also said.

The Justice Department has opened a criminal investigation into Russia's purchase of supercomputers in the United States.

When announcing the relaxed export controls for supercomputers in 1995, the White House promised to keep exporters informed of "potential proliferation and other security risks." But in early 1996 the administration turned down a request by federal nuclear experts to fulfill that obligation, out of fear of offending some countries or compromising intelligence-gathering methods, officials said.

The administration only published the first name on the list this year after Russia stunned proliferation experts by announcing that its nuclear weapons laboratories had acquired American supercomputers.

Mir Now 'Stable,' But Glitch Halts Oxygen Generator

Compiled by Our Staff From Dispatches

KOROLYOV, Russia — The space station Mir, damaged last week in a docking accident, is "stable" at present but may require inside and outside inspection, mission experts said here Tuesday.

"We can draw only one conclusion as of today — the situation on Mir is stable," Viktor Blagov, the deputy flight director, said at a news briefing in the space center outside Moscow.

He said the three men aboard — two Russians and an American — had fully recovered from the stress that followed the collision last Wednesday. "They are working as planned, or even more," he said. "They are sleeping normally."

But the crew ran into more trouble Tuesday, this time with a new oxygen generator.

Frank Culbertson, the American director of the U.S. shuttle-Russian Mir program, said that the generator had to be shut down after a cooling loop overheated. The problem is evidently a valve, he said, and it is unclear just how long it will take to repair the device.

The crew members will have to use solid-fuel canisters to produce oxygen until they can restart the generator.

The solid-fuel canisters are unreliable — one burst into flames in February, causing a dangerous fire. The crewmen now stand by with fire extinguishers and emergency masks each time a canister is activated.

Mission control has given the Mir crew instructions for a spacesuit walk inside the station to try to restore power supply from batteries in the damaged module, which was depressurized by the puncture.

Mr. Blagov singled out the American, Michael Foale, for praise, saying that he played an active part in closing a hatch after the collision.

A cargo of repair materials, including electric cables, connections and a "hermoplate," has been loaded onto a new Progress freighter, which is to be launched on Saturday morning. *(Reuters, AP)*

Arabs Assail Violence By Palestinian Security

By Serge Schmemann
New York Times Service

JERUSALEM — Demonstrating growing anger over the brutality of their security forces, thousands of Palestinians chanted angry slogans against the Palestinian Authority in Gaza City on Tuesday at the funeral of a man who died after being beaten by security agents.

Apparently in an attempt to counter the rage, Yasser Arafat, the head of the Authority, ordered an investigation that led to the arrest of eight members of Force 17, an elite security unit whose duties include guarding Mr. Arafat. Their trial began Tuesday evening, and was expected to conclude with heavy sentences.

In the West Bank city of Hebron, a Palestinian march called to protest posters depicting the Prophet Mohammed as a pig turned violent Tuesday, ending with the wounding of two Israeli soldiers by a pipe bomb and the wounding at least 35 Palestinians with rubber bullets.

At the same time, Israel Radio reported that Mr. Arafat met with a senior Israeli general on Saturday, marking the resumption of security cooperation between the Palestinian Authority and Israel after a three-month freeze. Israeli newspapers said the meeting followed several other contacts among Israeli, Palestinian and American security officials.

The news of the meeting was accompanied by reports that a standoff between Jewish settlers and Palestinian protesters in the Gaza Strip ended when the Israeli Army agreed to remove a memorial to a slain Israeli soldier in the Gaza Strip, and Palestinian protesters were cleared by Palestinian police from a site they had occupied for 30 days near a Jewish settlement.

At the funeral in Gaza City of Nasser Radwan — a 28-year-old father of three who died Monday, a week after his arrest, of a fractured skull — protesters carried signs saying: "Arafat, you are not one of us! Take your dogs and leave!"

Mr. Radwan was the 14th Palestinian to die in the custody of Palestinian security services since the Authority took control in 1994. The demonstration at his funeral reflected both the increasing rage over the brutality of the various Palestinian security services, and more generally the growing frustration with Mr. Arafat's Palestinian Authority, which has been unable to secure either peace with Israel or better living for the majority of Palestinians even as some if its officials have amassed conspicuous privileges and wealth.

Mr. Radwan's death provoked special anger in Gaza because it involved a personal dispute between him and a member of Force 17, Mahmoud Zayyer.

On June 23, Mr. Zayyed, a bodyguard for a senior officer in the force, arrested Mr. Radwan. Several hours later, Mr. Radwan was admitted to a hospital with a fractured skull.

In the ensuing outcry, Mr. Zayyed and seven other members of Force 17 were arrested.

Wendy Sue Lamm/Agence France-Presse

An Israeli soldier carrying a comrade wounded by a pipe bomb Tuesday in the West Bank town of Hebron.

■ Offer to Disgruntled Minister

Prime Minister Benjamin Netanyahu tried to calm Foreign Minister David Levy on Tuesday by offering him day-to-day control over peacemaking with the Palestinians, Reuters reported. Mr. Levy threatened to quit Monday.

Gulf War Weapons Hyped, Study Finds

Pentagon and Arms Makers Both Exaggerated, U.S. Report Says

The Associated Press

WASHINGTON — A newly declassified report says that the Pentagon and weapons makers overstated the effectiveness of high-technology aircraft, bombs and other systems during the Gulf War.

The congressional report says that laser-guided bombs and Tomahawk missiles were less effective than reported, that aircraft touted as able to attack in all conditions had trouble in clouds or dust and that the F-117 Stealth fighter may not have been the invulnerable surprise weapon that its supporters said it was.

Although the report analyzes performance in a conflict more than six years ago, its conclusions could weigh on multibillion-dollar decisions that the Pentagon and Congress will make in coming months, particularly on the B-2 Stealth bomber.

The report cited "a pattern of overstatement" by weapons manufacturers and defense officials in connection with high-tech weapons.

"The gap between what has been claimed for air power in Desert Storm and what actually occurred was sometimes substantial," the report by the General Accounting Office concluded.

"Even under the generally favorable tactical and environmental conditions prevalent during Desert Storm, the effectiveness of air power was more limited than initially expected or subsequently claimed."

In a rebuttal written while the report was still classified, Frederick Frostic, deputy assistant secretary of defense for requirements and plans, called the analysis overly simplistic.

Mr. Frostic said that the General Accounting Office failed to factor in that the weapons were used against the toughest modern defenses, which made comparisons with older weapons impossible.

"The GAO authors go to considerable lengths to denigrate the value of the F-117A by suggesting that the Iraqis were able to detect the aircraft," Mr. Frostic wrote.

But he pointed to the "fundamental point which the authors make too little of: The F-117A conducted 1,788 missions during Operation Desert Storm, mostly through the densest portions of the Iraqi radar-guided air defenses, and suffered no losses and no battle damage whatever."

He did acknowledge a degree of overstatement, particularly the assertions of "one shot, one kill" for laser-guided bombs.

"There certainly were some examples of such hyperbole," Mr. Frostic wrote. "Nevertheless, no one has ever seriously attempted to argue that one-shot, one-kill is a realistic expectation."

The report made these key points:

- The Pentagon said that laser-guided bombs dropped by the F-117 hit their target 80 percent of the time, but analysts found that a third of those "hits" could not be confirmed. "Desert Storm data do not fully support claims for the F-117's accuracy," the report found.
- Despite air force assertions that the F-117 achieved complete surprise during attacks on the opening night of the war in January 1991, after-action reports indicated that some Stealth fighters were fired on before they dropped their bombs.
- Although the F-117 avoided downing and damage better than any other plane, it was used exclusively at night, whereas aircraft that sustained damage flew daylight missions.
- Tomahawk cruise missiles were less accurate than reported, although for security reasons the missiles' actual accuracy was deleted from the report. Clouds, humidity and dust hampered the F-16 fighter's ability to deliver guided munitions, contrary to manufacturer assertions that the plane performed its mission "no matter what the weather, day or night."

Long-term Pentagon spending plans emphasize laser-guided bombs and cruise missiles. And the Pentagon is planning a considerable investment in radar-evading aircraft, with as much as $227 billion earmarked.

William Leonhart, Former U.S. Envoy To Tanzania, Dies

The Associated Press

WASHINGTON — William Leonhart, 78, the former U.S. ambassador to Tanzania and Yugoslavia, died here Thursday of heart failure.

President John F. Kennedy named Mr. Leonhart the first U.S. ambassador to Tanzania when the country became independent in 1962. He was the envoy to Yugoslavia from 1969 to 1972. He later helped found the International Institute of Strategic Studies and the National Defense University.

Sir Joshua Hassan, 81, a former Gibraltar chief minister who led resistance to Spain's claim of sovereignty, died there Tuesday.

Annie Fratellini, 64, noted French female clown and founder of the nation's first circus school, died here Tuesday of cancer.

Aid to Revive Albania Urged

Compiled by Our Staff From Dispatches

TIRANA, Albania — A European envoy, Franz Vranitzky, called Tuesday for economic aid to prop up and revive Albania after its largely peaceful general election on Sunday.

But President Sali Berisha's Democratic Party, headed for defeat by the Socialists, declared that it would challenge some results.

Mr. Vranitzky, who negotiated a deal between Albania's squabbling political parties in March to enable the early election, had a brief meetings with Mr. Berisha and interim Prime Minister Bashkim Fino soon after arriving in Tirana.

The former Austrian chancellor said he was told by Mr. Berisha that he had accepted the verdict of the people, which meant his Democratic Party would be entering the opposition.

But Mr. Vranitzky, head of the 450 observers of the Organization for Security and Cooperation in Europe, said the president gave no indication whether he would step down after five years in post-Communist power.

"No, he did not mention it, and I did not ask him," the Austrian said.

Diplomatic sources said Mr. Berisha look tired and glum during the meeting with Mr. Vranitzky.

The president admitted Monday that the Democrats had lost the election and many Albanians interpreted the statement as a hint he was stepping down.

As head of state, Mr. Berisha has to wait for Parliament to be convened before he can offer his resignation.

Results declared in 25 of 115 districts run under majority rules confirmed a big swing to the Socialists. They won 13 seats, with two more going to their Social Democratic allies.

The Democrats captured three seats while the remaining go through to a runoff next Sunday because no candidate won the 50 percent required for victory in the first round.

"We have numerous problems in many zones, even up to assassination," said Tritan Shehu, leader of the Democratic Party. "We have been alerting the Central Electoral Commission, and we will file complaints." *(Reuters, AP)*

FRAUD: *An Easy Way to Cheat U.S. Insurers, Fake Death Far From Home*

Continued from Page 1

countries, where it is easier to fake deaths. And as American insurance companies extend their global reach, they are aggressively selling policies in countries with less rigorous standards for record-keeping.

In most of these fraud cases, a central thread is a trip abroad, preferably to some place trying to cope with an upheaval like an earthquake, a flood, or, perhaps, a civil war. But any place will do where official record-keeping is slipshod, civil servants earn survival wages and bribery is a cultural hallmark.

The typical con artist, investigators say, is a Third World native who has lived in the United States for a few years, has bought life insurance and decides to take a trip back home. During the visit, calamity strikes and the beneficiary files an insurance claim. Ernesto Mozo, for example, had been visiting Colombia from his new home in Miami, where he and his wife worked for an import-export firm.

(Ernesto Mozo was jailed briefly in Colombia, and a U.S. warrant is out for his wife's arrest. Javier Mozo merely walked away.)

"There are lots of claims coming out of Haiti, Jamaica, Mexico, Nigeria, Yemen and other Middle Eastern countries, Eastern Europe and the former Soviet states," said Steven Rambam, the head of Pallorium Inc., a private investigation firm in Manhattan that has handled a dozen of these cases.

The swindlers are usually not career criminals, insurance executives say, but men and women who see their life insurance policies as irresistible opportunities to take a lot of money from some enormously wealthy, faceless corporation. That may be changing, though. Mr. Rambam says he has investigated several cases that he is convinced involved members of political and criminal organizations in the former Soviet Union, West Africa and the Middle East. They filed false insurance claims, he says, to raise money for their groups.

Nobody knows for sure the extent of this fraud. But trade association officials say it is clearly on the rise. Larry LaPointe, the chief of the fraud division at the New York state Department of Insurance, said his investigators were handling 20 to 30 cases a year, up from hardly any just two years ago. In California, the number of fake death claims has more than tripled, to 40 or 50 a year. And no one knows how many people are getting away with fraud without raising suspicions.

Compared with fraudulent health care and auto claims, which run into the billions of dollars, the cost of fake deaths is relatively trivial. Still, said Dennis Jay, executive director of the Coalition Against Insurance Fraud, it may run into the hundreds of millions of dollars a year.

In April, for the second consecutive year, investigators from half a dozen insurance companies convened in Florida to share ideas on how to counter the phenomenon. One of the speakers was Mr. Rambam, who spoke of "how easy it is to manufacture alternative identities" as a first step in defrauding an insurer.

In such cases, the con artists take out an insurance policy on an imaginary friend or relative and name themselves as beneficiaries. First, armed with false identity papers, they pose as their own creations, undergoing the physical examinations required for most large insurance policies. Then, using other forged documents, they tearfully report the deaths of these fictional loved ones.

This approach has advantages over faking their own deaths: They can retain their true identities, and they do not have to share the proceeds with anybody.

Most people still follow the less complex route of taking out insurance on themselves and naming a spouse or some other relative as the beneficiary. The big catch, of course, is that to escape detection, they have to assume a fake identity for the rest of their lives. Many people forget that and are caught.

Yet, for the most part, filing bogus life insurance claims carries little risk. Criminal prosecution is rare, even when a malefactor is caught red-handed. When insurance companies bother to go to the authorities, they often have a hard time getting the attention of prosecutors who have their hands full with violent crimes.

In even the strongest cases, obtaining a conviction is problematic.

"To get a witness to come in from Nigeria or Cameroon or Ghana is virtually impossible," said Ronald Sallow, who heads Maryland's insurance fraud unit. "It's prohibitively expensive. And they are extremely reluctant witnesses because they fear retribution."

MERGER: *U.S. Sees Benefits in Boeing's Buyout of McDonnell Douglas*

Continued from Page 1

But one commissioner, Mary Azcuenaga, challenged that view. In a separate statement, she wrote that even with a small share of the market, Douglas Aircraft has been able to exert competitive pressure on the airline market.

"Douglas may need more customers for its products, but having won fewer customers than it might want does not make Douglas unable to compete for future sales," she wrote.

But the commission warned Boeing that the contracts it recently worked out with American, Delta and Continental Airlines, under which Boeing would become their exclusive suppliers for 20 years, were "potentially troubling."

Although the contracts represent only about 11 percent of the global market, the airlines involved have significant leverage in commercial aviation, the commissioners said.

The exclusive contracts are a key concern of European Union antitrust investigators, who continue to review the merger.

Negotiations between the European regulators and Boeing face a Friday deadline for a vote by the antitrust advisory panel of the European Union in Brussels.

On Monday, Boeing put forward "constructive proposals" that could pave the way for European approval of its merger with McDonnell Douglas, Boeing's chief representative in Brussels said Tuesday.

The representative, James Franck, refused to make details public, but he said the group had put forward "constructive proposals" that met European concerns. According to some sources, the proposals included eliminating exclusive contracts with airlines.

Boeing's purchase of McDonnell Douglas would create a civilian-and military-aircraft powerhouse with more than 200,000 employees and projected annual revenues of $48 billion — exceeding the high for any aerospace company worldwide. It would have 65 percent of the world jetliner market, almost double the share of its only rival, Europe's Airbus Industrie consortium.

Executives of both American companies say the deal will not eliminate many jobs in their major plants.

After the most extensive investigation in its history, the five-member commission has concluded that the merger would not result in any substantial lessening of competition for either military or civilian aircraft.

The decision against trying to block the Boeing merger came down to a determination by the Federal Trade Commission staff that McDonnell Douglas had ceased to be a competitive factor in the market for civilian jets.

In last year's booming market, McDonnell Douglas won only 4 percent of new commercial aircraft orders. *(WP, AFP, AP)*

BRIEFLY

France To Charge Algerian Jailed in U.S. With Terrorism

PARIS — A French judge has traveled to the United States to file charges of terrorism against a leading member of Algeria's banned Islamic Salvation Front, judicial sources said Tuesday.

The judge, Roger Le Loire, left Monday to indict Anwar Haddam, a prominent member of the Front who is in jail in Virginia, of "associating with criminals related to a terrorist enterprise," they said.

Mr. Haddam is believed to have ties to armed Islamic terrorists in Algeria. The case against him stems from a 1993 French crackdown on Islamic militants. *(AFP)*

Saudi Official Arrives in Iran

DUBAI — An envoy of King Fahd of Saudi Arabia arrived in Tehran on Tuesday on a rare visit that aims to improve ties between the two major oil producers, the official Iranian press agency IRNA said.

It said the Saudi minister of state, Abdullah ibn Abdulaziz al Khoweiter, would deliver messages from King Fahd and Crown Prince Abdullah ibn Abdulaziz to Iran's outgoing president, Hashemi Rafsanjani.

Diplomats in Saudi Arabia said the visit was a new sign of a thaw in the icy ties between the two regional powerhouses whose cooperation is seen as vital for stability in the region. *(Reuters)*

Archaeologists Found in Mexico

MEXICO CITY — A missing team of archaeologists has been found alive days after Indian villagers attacked their expedition in a remote, southern jungle region, an official at the Department of Foreign affairs said.

The six-member team was apparently in good condition, said the official who requested anonymity, he archaeologists had been trying to remove a Mayan altar from a jungle in southern state of Chiapas on Friday when dozens of villagers attacked them.

Three men had been reported to have been taken hostage. *(AP)*

For the Record

Japan named Yoshizo Konishi as ambassador to Peru on Tuesday, replacing Morihisa Aoki, who resigned in May over security lapses that helped Peruvian rebels seize his Lima residence. *(AP)*

هكذا من الاصل

هكذا من الأصل

EUROPE

2 ETA Hostages Are Free

Police Arrest 4 in Abduction of Prison Official

The Associated Press

MADRID — The police rescued a hostage held by the Basque separatist group ETA for more than 17 months and arrested four alleged kidnappers Tuesday, hours after the group had freed another hostage.

The Basque militants kidnapped Jose Antonio Ortega Lara, a prison official, on Jan. 17, 1996, to press their demand that ETA prisoners in jails across Spain be transferred to the northern Basque region.

Sixty officers of the Civil Guard's paramilitary police swept into a factory in Mondragon, 240 kilometers (150 miles) northeast of Madrid, to free Mr. Ortega Lara. They also found 25 million pesetas ($180,000), four guns and explosives.

Mr. Ortega Lara was found untied and unguarded in a locked room. The police had arrested the four ETA suspects elsewhere just before the raid.

Interior Minister Jaime Mayor Oreja called the kidnappers "beasts" for their "inhuman treatment" of Mr. Ortega Lara, 38. He had been held in a 3-meter long by 2.5-meter-wide (9-foot by 7-foot) windowless room, with barely enough space to stand, during his entire 532 days in captivity.

Looking gaunt, pale and dazed, Mr. Ortega Lara was given a medical checkup and was taken by helicopter to his home city of Burgos. He had lost 26 kilograms (57 pounds) in captivity, his muscles had atrophied and he was anemic.

People lined the streets of the northern Spanish city and cheered and clapped as he was driven to his house.

Six hours before he was freed, the ETA released Cosme Delclaux, a 34-year-old lawyer and son of a wealthy Basque businessman, in the countryside about 12 kilometers from Mondragon. Mr. Delclaux, kidnapped on Nov. 13, was found drugged and tied to a tree. An anonymous caller told a Basque newspaper that Mr. Delclaux had been freed and where he could be found.

Spanish media reported that Mr. Delclaux's family paid 1 billion pesetas for his release. Doctors said Mr. Delclaux was healthy.

Mr. Mayor Oreja said the liberation of both men within hours was coincidental. An ETA member arrested in France last November had documents that provided clues leading to Mr. Ortega Lara's rescue, Mr. Mayor Oreja said.

Mr. Delclaux was apparently freed because a ransom was paid, Mr. Mayor Oreja said, although he did not specify an amount.

Mr. Ortega Lara and Mr. Delclaux were believed to be the only hostages held by ETA, an acronym for Basque Homeland and Liberty. The group has waged a 29-year armed campaign for the creation of an independent Basque homeland. It is blamed in the deaths of about 800 people and in the kidnappings of 70.

Juan Herrero/The Associated Press

Jose Antonio Ortega Lara, center, walking with his wife and another family member Tuesday, shortly after paramilitary police freed him, ending 532 days in captivity by the Basque separatist group ETA.

Police in Britain Begin to Collect Thousands of Newly Outlawed Guns

Agence France-Presse

LONDON — The police in Britain began collecting thousands of handguns on Tuesday that were outlawed in the wake of a massacre at a primary school in Dunblane, Scotland, last year.

The crackdown was prompted by the killings of 16 small children and their teacher in March 1996.

Under new laws that are said to be the world's toughest anti-gun legislation, British residents have until the end of September to give up their weapons or face the prospect of up to 10 years in prison.

An estimated 160,000 large-caliber pistols were made illegal as a result of a firearms act passed under the previous Conservative administration. A further 40,000 smaller .22 caliber handguns are set to be banned under a bill put forward by the new Labour government that is now going through Parliament.

Prime Minister Tony Blair said last month that the handgun ban was necessary because "we owe a moral responsibility to the victims of Dunblane and their families."

The laws were bitterly opposed by gun clubs, which claimed they would irreparably damage their sport and were an infringement of their civil liberties.

The proposed new ban on .22 caliber weapons is expected to add £30 million to the £150 million ($240 million) it will cost to compensate people for giving up bigger guns. The government expects to pay out a further £19 million for ammunition and accessories. Owners can accept a flat rate of £150 for each gun they hand in or get an independent valuation of up to £775 for more expensive weapons.

The police have been gearing up for this week's collection by taking on extra staff to help organize the surrender and disposal of thousands of guns, which will eventually be melted down.

Tribunal Hails Arrest of Croatian Serb

By Charles Trueheart
Washington Post Service

PARIS — The arrest of a Croatian Serb former mayor who was wanted in the killing of 260 civilians in eastern Croatia in 1991 has been called a breakthrough in the frustrated effort by United Nations investigators to apprehend war crimes suspects.

The arrest last week of Slavko Dokmanovic, 47, brings to nine the number of suspects in the Balkan conflict who have been indicted for war crimes and then taken into the custody of the International Criminal Tribunal, based in The Hague. Sixty-five others remain at large.

Mr. Dokmanovic's detention by tribunal investigators and UN peacekeepers in Eastern Slavonia, a region of Croatia that is held by Serbs, was the first carried out on the territory of a former warring state without its knowledge or cooperation.

"It proves that all you need is a willing partner for the tribunal — either a state authority or, in this case, an international one," the chief prosecutor, Louise Arbour, said in a phone interview. Tribunal investigators worked with the UN Transitional Administration for Eastern Slavonia.

Most arrest warrants and requests for evidence have been ignored by Serbs and other signatories to the 1995 Dayton truce accords, which require state cooperation with the four-year-old tribunal's investigations.

Ms. Arbour said that the secret operation against Mr. Dokmanovic, whose 15-month-old indictment by the tribunal was not previously publicized, "obviously reveals the existence of nonpublic indictments" for the first time.

The public nature of the 74 known indictments, Ms. Arbour said, has hampered the tribunal's ability to hunt down suspects. From now on, she said, investigators will not announce targets.

Mr. Dokmanovic was a former mayor of Vukovar, in eastern Croatia, in November 1991, when Yugoslav Army and Serb paramilitary forces stormed the city's hospital and removed 260 civilian men, mostly Croats, who had taken shelter there from a Serb artillery barrage.

They were taken to a nearby town, Ovcara, where they were beaten and shot to death — with Mr. Dokmanovic's active participation, according to the indictment. When it was uncovered by tribunal forensic experts last fall, the mass grave of 200 of the Vukovar victims stirred widespread disgust and, in Croatia, special bitterness.

■ Warning by U.S. Envoy

The top U.S envoy to Bosnia threatened Tuesday to cut off all American aid to Croats in Mostar immediately unless they stop stonewalling on creating a joint police force with Muslims in the divided city. The Associated Press reported from Sarajevo.

The U.S. special envoy, Robert Gelbard, also criticized the "stupidity" of police in the Serb sub-state making up half of Bosnia. He was referring to a recent incident in which U.S. soldiers with the Bosnian peace force dismantled an illegal Serb checkpoint and disarmed the policemen manning it.

"We are astonished with the stupidity of some police officers in Republika Srpska who are seeking confrontation" with the NATO-led peace force, Mr. Gelbard said.

BRIEFLY

Fabius Seeks to Fix French-German Ties

PARIS — The speaker of France's National Assembly, Laurent Fabius, urged the heads of the German and French governments Tuesday to address each other's parliaments to revive a friendship soured by differences over the single European currency.

Mr. Fabius, a former Socialist prime minister, said at a seminar on French-German relations that Chancellor Helmut Kohl should address the National Assembly and Prime Minister Lionel Jospin the Bundestag. *(Reuters)*

Terrorism Suspect Returns to Italy

ROME — After 14 years in France, an Italian who was accused of having been a leader of the Red Brigades terrorist group returned Tuesday to Italy to serve a nearly five-year prison term.

Toni Negri, 64, was convicted in absentia in 1984 for his role in organizing a 1974 robbery near Bologna in which a paramilitary officer was killed. *(AP)*

A POW Mystery

MOSCOW — A U.S. delegation has pored over thousands of documents and interviewed hundreds of Russians, but still cannot confirm its suspicion that American prisoners of war were brought to Moscow for questioning during the Korean War, a U.S. official said Tuesday.

The head of the U.S. team said that the five-year search should continue and that he believed the Soviet Union did handle American POWs during the 1950-53 war.

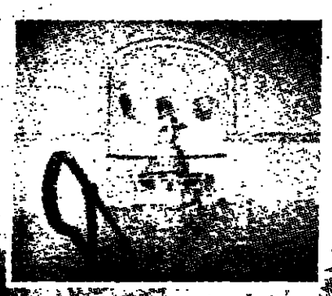
"But, we can't find anything in the archives," said Malcolm Toon, a former U.S. ambassador to Moscow. *(AP)*

Britain in Unesco

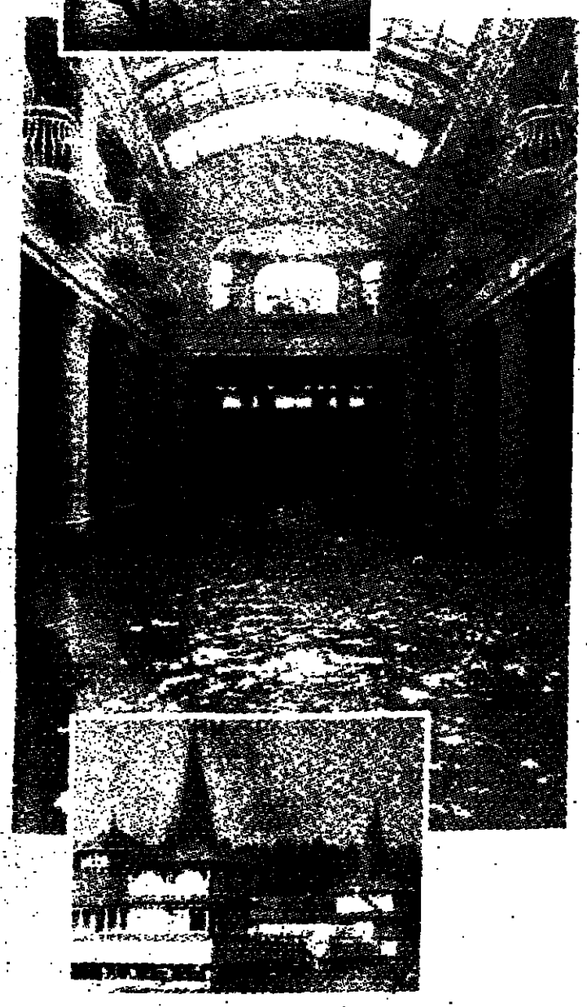
PARIS — Britain officially rejoined Unesco on Tuesday, hoisting its flag outside the organization's headquarters in Paris.

The new Labour government said in May that it was rejoining the United Nations Educational, Scientific and Cultural Organization a dozen years after Britain left to protest alleged poor management and anti-Western bias. *(Reuters)*

Open doors. Open hearts. Open minds. Hungary



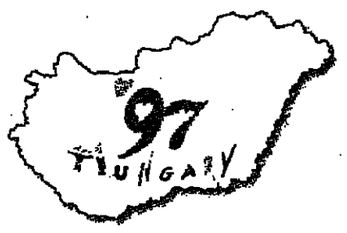
Hungary is the richest country in the world...



...at least in healing spas. Whether we make use of the curative effects of spring water by drinking it or take thermal waters like the ancient Romans or the Pashas of the Ottoman Empire or royals of Europe, our health can only benefit from it. Nowadays, hundreds of thermal springs and baths welcome the new pilgrims in Budapest and across Hungary. Spas cure the ailing and rejuvenate the healthy. If you only wish to 'get away from it all', come and enjoy floating in those miraculous waters.

Hungary awaits you with a thousand-year-old hospitality.

TOURINFORM: H-1052 Budapest, Sütő u. 2.
Tel: (36-1) 117-9800, Fax: (36-1) 117-9578
E-mail address: tourinform@mail.hungarytourism.hu
homepage:http://www.hungarytourism.hu



Advertising.

The difference between a quartet and an orchestra.

Presenting a great orchestral work without the contribution of sponsors would drive ticket prices beyond the reach of most music lovers. Quite simply, without the support of the marketing companies who are proud to be associated with great performances, anything more than a string quartet would be out of the question.

For further information call/fax the IAA UK Chapter. Telephone 0171 431 7701 Fax 0171 431 7098.

INTERNATIONAL ADVERTISING ASSOCIATION

The global partnership of advertisers, agencies and media

ADVERTISING. YOUR RIGHT TO CHOOSE.

ASEAN Offers to Help Cambodia Make the Cut

Agence France-Presse

HONG KONG — The Association of South East Asian Nations offered Tuesday to help Cambodia run its general elections next year to keep it from sliding back into civil war.

At an informal meeting here to address the organization's growth pains, ASEAN foreign ministers also addressed matters related to the other two candidates to join the alliance — Burma and Laos.

The organization sent Foreign Minister Abdullah Ahmad Badawi of Malaysia on a fact-finding mission to the three nations last month, and on Tuesday the members of ASEAN — Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam — voiced apprehension over developments in Cambodia.

Foreign Secretary Domingo Siazon of the Philippines said: "We discussed his report extensively, including possible types of assistance that Cambodia might need to help them in their present difficulties."

Mr. Abdullah recalled ASEAN's role in the 1991 accord brokered by the United Nations that ended the civil war in Cambodia, "so naturally we are concerned and have told them so."

But he also said that Cambodia's internal situation did not jeopardize its ASEAN membership.

The two prime ministers of Cambodia, Prince Norodom Ranariddh and Hun Sen, have been at each other's throats for years. Last month their forces fought a battle in the streets of the capital that left two people dead.

And on March 30, a grenade blast at an anti-government rally in Phnom Penh killed 20 people and wounded 150 others.

Prince Ranariddh has said elections would be held in May 1998, and Mr. Abdullah of Malaysia offered an explanation for the violence. The rival parties in Cambodia, he said, are doing whatever they can to enhance the chances of their respective leaders in the approaching elections.

"We in ASEAN have enough experience" in elections, Mr. Abdullah said. "If we can help by offering them some training, then that would be possible."

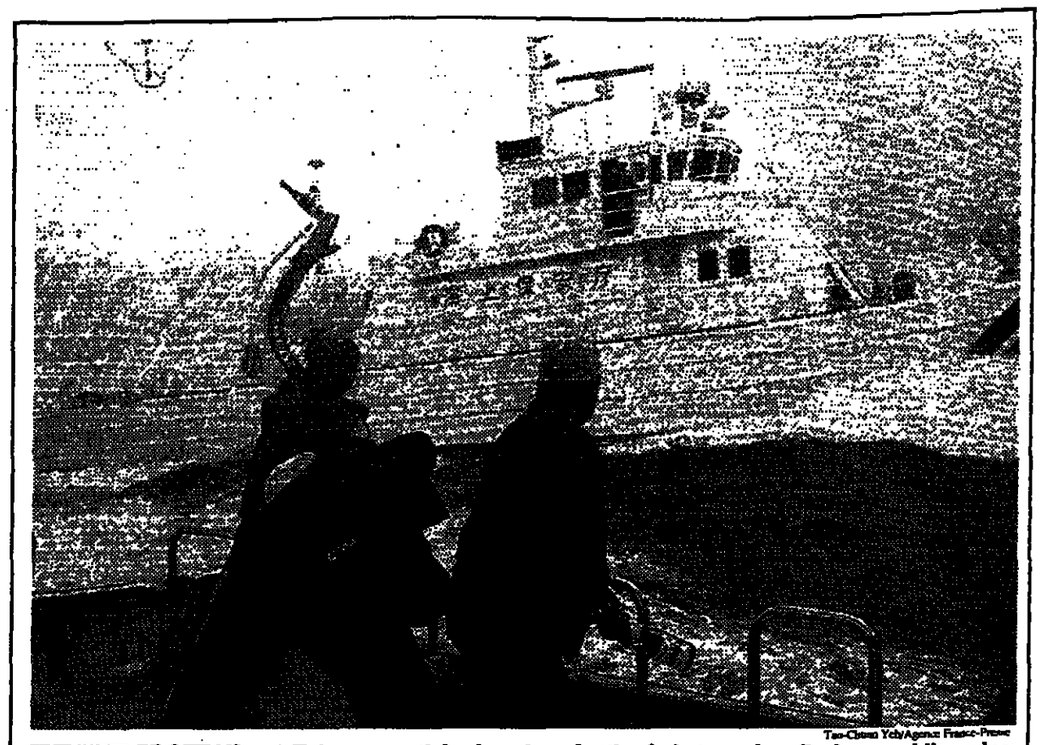
The foreign ministers also discussed international concerns about the human rights record of Burma's military government and problems that would be faced by Laos, the officials said.

ASEAN is committed to creating a free trade region by 2003, but the three candidate members have been given until the end of 2007 to carry out corresponding cuts in their import tariffs.

Mr. Abdullah said he had conveyed to the junta in Rangoon "some of our concerns about what's happening there."

Western nations have criticized ASEAN's decision to admit Burma, saying it would only embolden a military leadership that represses its population. ASEAN contends that drawing Rangoon into dialogue would persuade it to change its ways.

Meanwhile, Mr. Siazon, the Philippines' foreign minister, said that Laos would "have problems" after joining the organization. "Economically, it's probably the least prepared, together with Cambodia," to conform to ASEAN's free trade plans, he said.



Tso-Chien Yeh/Agence France-Presse

SPIRITED PROTEST — A Taiwanese activist throwing a bottle of what was described as sparkling wine at a Japanese patrol boat as it prevented a landing Tuesday on a disputed island in the East China Sea.

North Agrees to Attend 4-Party Korean Peace Talks

By Steven Lee Myers
New York Times Service

NEW YORK — Forty-four years after the Korean War ended with a bitter, tenuous cease-fire, North Korea has agreed to hold talks with South Korea, the United States and China in an effort to negotiate a lasting peace.

The two Koreas remain profoundly divided, and intractable issues must still be resolved, but the agreement represents a breakthrough in efforts to forge peace on the Korean Peninsula, which remains one of the world's most troublesome, potentially explosive regions.

North Korea's agreement cleared the way for "preparatory talks" to begin in New York on Aug. 5 among delegations from the two Koreas and their principal allies during the war, China and the United States.

The agreement was announced Monday after a final day of wrangling over details between senior delegations from North Korea, South Korea and the United States in New York. The meeting was the third in four months; the previous meetings ended in frustration.

Kim Gye Gwan, the head of North Korea's delegation and a deputy minister of foreign affairs, said his country would enter the four-party talks, calling them "very conducive to the peace and security of the Korean Peninsula."

While senior officials of the two Koreas have met before, the talks would be the first between the North and South to address directly some framework for peace, including mutual recognition, a normalization of relations and, many officials believe, an eventual reunification.

President Bill Clinton and President Kim Young Sam of South Korea proposed the four-party talks last April as a way of overcoming North Korea's unwillingness to negotiate directly with its enemy. The North had long sought talks only with the United States, hoping to isolate the South.

While an armistice ended the fighting in July 1953, the two Koreas technically remain in a state of war, with the border between them among the most heavily armed in the world.

In the previous meetings in New York, Mr. Kim of North Korea signaled a willingness to hold peace talks, but continued to raise objections, insisting that any agreement had to include substantial donations of food aid to cope with growing shortages in the North.

The United States and South Korea, while responding to international appeals for emergency aid with donations, refused to link the aid to North Korea's participation in talks.

By Monday, North Korea had dropped its insistence on food aid, although American and South Korea officials said that Mr. Kim's delegation raised the issue again.

"They again repeated that they have an urgent and substantial need for additional food aid," a senior Clinton administration official said, speaking on condition of anonymity.

A South Korean official said the shortages in the North, which have become dire according to many reports, were "something structural and elemental" and would be part of peace talks.

In a statement, the three delegations said that the preparatory talks in August would resolve "procedural matters" for the future talks, including "the earliest agreeable date, venue and agenda."

Despite North Korea's agreement to attend the talks, officials cautioned that much remained to be resolved before a peace treaty could be reached.

GAMBLE: *Clinton Bets the Farm on China*

Continued from Page 1

China's behavior here. She reproved Beijing for disbanding Hong Kong's elected legislature and for its dispatch of 4,000 troops over the border right away, which she described as "perhaps not the best way to get started" in reassuring the people of Hong Kong about their future.

But she also restated the administration's position that no single issue can control the "multifaceted relationship" the administration has developed with Beijing. She left unclear what the administration might do should China violate its promises and crush freedom here, just as the administration never made clear what it would have done had Mr. Yeltsin been defeated or forced to retire because of illness, or if the war in Chechnya had continued.

Relations between Washington and Beijing are already considerably better than they were during Mr. Clinton's first term, when disputes over Taiwan soured the atmosphere.

As was reflected in the recent House debate over the renewal of China's trading relations with the United States, many conservative analysts and some members of Congress are unhappy with the administration's determination to pursue further engagement with China. The critics argued that China is an oppressive and aggressive power bent on using its increasing military might and its newfound Hong Kong wealth to seek regional domination.

Mrs. Albright, however, said it would make no sense to turn away from China, because it is too big and too powerful to push around.

"Regardless of the policy choices we make," she said in a speech in San Francisco on her way here, "China will be a rising force in Asian and world affairs. The history of this century teaches us the wisdom of trying to bring such a power into the fold as a responsible participant in the international system, rather than driving it out into the wilderness of isolation."

Can a Communist nation that has nuclear weapons and a fast-growing economy but no history of democratic governance be brought along as Mrs. Albright described? The administration's bet is yes, according to the White House national security adviser, Samuel Berger.

"Can China successfully make the next great leap toward a modern economy in the information age without producing the result of empowering its people, further decentralizing decision making and giving its citizens more choice in their lives?" Mr. Berger asked in a speech last month to the Council on Foreign Relations. "Possible, but I doubt it."

Mr. Berger said that "China, of course, will define its own destiny."

"But the decisions we make will influence China's evolution," he said. "To wield our influence effectively requires sustained domestic support for a revitalized relationship with China and a clear-eyed approach based on our national interests."

Noting the "genuine improvements" in the lives of Chinese citizens over the last 20 years as the government loosened economic and social controls, Mr. Berger said those reforms "were not made because of U.S. policy, but they would not have been made without the right U.S. policy, without the United States making clear to China that its participation in regional global affairs was necessary, that it is not our enemy and that its growth and development were welcome."

Mrs. Albright told several Hong Kong audiences that China's performance in carrying out its promise to maintain Hong Kong's way of life would be a major factor in the administration's evaluation of its policy.

But on no occasion did she suggest what the administration might do — or even that it would do anything — if China were not to honor its commitment to preserve Hong Kong's economic and political freedoms under the "one country, two systems" formula.

Tung Participates In Buddhist Event

Reuters

HONG KONG — Hong Kong's new leader, Tung Chee-hwa, took time off from a busy schedule Tuesday to join tens of thousands of Buddhists in praying for the future of the territory under Chinese rule.

The prayer session, on Hong Kong's main soccer field Tuesday, followed the handover at midnight Monday of the territory to China after 156 years of British colonial rule.

Together with more than 40,000 Buddhists, Mr. Tung clasped his hands together and bowed deeply as more than 100 abbots in yellow and red robes sang and chanted prayers in front of a huge portrait of the Buddha.

"With the Buddha's blessings, may the nation enjoy prosperity and the people live in peace and happiness," Mr. Tung said in a speech.

MURDER: *Is Japanese Society to Blame?*

Continued from Page 1

fessed to luring 11-year-old Jun Hase into playing with him on the afternoon of May 24 and leading him up a wooded hill where he strangled him. Later, the suspect allegedly sawed off Jun's head and brought it home in a plastic bag, where he washed it in a purification ceremony and kept it overnight. The next day, he reportedly left it at the front gate of a school.

What disturbs many Japanese is that while the youth was clearly tormented, the parents of the young suspect were highly educated and relatively prosperous, with the father working at a prestigious Japanese company.

"They focused their attention on their kids' education and poured big money into it," said a neighboring Kobe resident interviewed by phone.

In the days just after the murder, parents feared their children could become victims anywhere in Japan. Now that sentiment is beginning to transform into an eerie fear that their child could actually become the perpetrator.

"Everybody seems to be worried that their own kids could do the same thing as him or could be in the same psychological condition as him, and they don't know what to do," said Shinobu Yoshioka, an author who often writes on education issues. "Schools look like factories, very efficient, functional, clean and rational. Looks to me like the education given to kids in schools these day is just like quality controlled production."

"How do these kids learn the importance of life?" he added.

In a letter to the Asahi Shimbun Tuesday, Michiko Shiraishi lamented: "Since the recent incidents, we have been afraid that we don't know when our children could be victimized," said Miss Shiraishi, a 32-year-old mother. "Now we have to also shoulder the terror that we don't know if our children will become the attackers."

Japanese elementary school systems are praised around the world, but junior high schools are all work and no play. And the pressure to get into a good high school means that children spend hours studying at cram schools to pass tests with high scores. Dropouts or failures may be ostracized and isolated.

The young suspect, whose name has been withheld because he is a minor, is a quiet, small-framed boy with a good memory and a desire for recognition. He apparently was not doing very well in school and began to pour himself into foreign horror movies, violent Japanese comic books, and TV video games, according to news accounts.

Friends who visited his home said that he had a set of little figurines, some of them with their heads cut off, accounts say.

In a letter that the youth stuffed into the mouth of the beheaded Jun and in a letter he has admitted sending to a daily newspaper, many of the phrases seemed to come straight out of movie dialogues. "Now the game begins, try and stop me," he wrote. He added that he was taking revenge against the "compulsory education system."

As a result, sociologists and education scholars are concerned about the potential effects that the blossoming possibilities of virtual reality can have on the nation's children.

"In 1983 when this boy was born, the Nintendo TV game was also launched, so he belongs to the generation that grew up together with TV games," said Masashi Fukaya, a professor of educational sociology at Shobi Gakuen Junior College. "For kids raised in the age of electronic media, they have been growing up in a sort of virtual reality. They have not been growing up with real feelings, with real living friends, or with real nature."

Friends of the suspect say that he became increasingly violent and began torturing pigeons and cats, and showing mutilated parts of cats to his friends, according to Japanese news accounts. After a classmate reported him, he threatened the classmate with a metal pipe, and the teacher reportedly told him in mid-May not to return to school.

The school, however, has issued no statement on this, and the police have not publicly commented since the arrest on Saturday.

BRIEFLY

India to Overhaul Judicial System

NEW DELHI — India announced sweeping measures Tuesday to overhaul its judicial system, which is wrestling with a backlog of about 30 million cases.

The steps include permitting plea bargaining, setting time limits for court proceedings, promoting alternate methods for settling disputes and setting up independent prosecution agencies, Law Minister Ramakant Khalap said.

Mr. Khalap said the government would introduce a system of plea bargaining, similar to that in the United States, where the accused could receive more lenient treatment from the court in exchange for a guilty plea. *(Reuters)*

Rebel Bomb Kills 4 Near Hyderabad

HYDERABAD, India — Four political activists were killed and five others wounded Tuesday when leftist militants set off a land mine in the Indian state of Andhra Pradesh, the police said.

They said guerrillas from the Peoples War Group, a militant organization, attacked the last vehicle in a convoy carrying Congress (I) Party workers in a village called Machareddy, about 100 kilometers (60 miles) north of the state capital, Hyderabad. The workers were heading to a party convention in a nearby village.

The People's War Group is part of the Naxalite movement, started in India in the 1960s by groups that split from the main Communist Party. The group is considered the most violent of the Naxalite outfits, and controls large wooded tracts straddling the states of Andhra Pradesh, Maharashtra, Madhya Pradesh and Orissa. *(Reuters)*

Sentences Upheld By Vietnam Court

HANOI — A Vietnamese court on Tuesday rejected appeals for leniency by eight people who were sentenced to death for their part in a massive heroin-trafficking racket.

A Supreme Appeals Court official said life-imprisonment sentences for six other key members of the ring and various jail terms for five others had also been upheld.

The exposure of the syndicate and the sensational trial of its key figures had embarrassed the country's powerful security establishment because half of the defendants were former police officers or border guards. *(Reuters)*

Burma Lashes Out At U.S. 'Bullying'

RANGOON — Burma's state-run media on Tuesday lashed out at the United States, saying America bullied weak countries and exploited the democracy activist Daw Aung San Suu Kyi, who it said had no chance of ever becoming leader of Burma. *(Reuters)*

How Breitling reaches the people who count time after time.

"As one of the World's leading creators of technologically advanced time pieces, we at Breitling have a natural affinity with Scientific American, the World's leading science and technology journal. Our market mirrors their discerning readership who recognise achievement and excellence across the globe".

Breitling S.A.

For more information on Breitling's range of distinctive time pieces write to: Breitling S.A., P.O. Box 1132, 2540 Grenchen, Switzerland.

For more information on how Scientific American can add to your marketing time after time, contact:
Roy Edwards, Scientific American,
1st Floor, Thavies Inn House,
3/4 Holborn Circus, London EC1N 2HB.
Tel +44 171 842 4343,
e-mail: 101650.364@Compuserve.com
World Wide Web: http://www.sciam.com.

HANDOVER IN HONG KONG / *For Many, the First Day Was a Day like Any Other*

In Small Noodle Shop, New Topics of Concern

Anxiety Lurks Below a Placid Surface

By Seth Faison
New York Times Service

HONG KONG — At the Lun Fat Noodle Shop on Wanchai Road, Hong Kong's first day as a part of China was, essentially, like any other.

A smell of duck grease hung heavily in the air, despite the feeble efforts of a rattling old fan in the corner.

A stack of clear plastic cups waited beside a pitcher of lukewarm tea on each table, but the small restaurant was nearly empty.

One elderly customer sat near the back, slurping from a bowl of noodles.

"It's a holiday, so business should pick up today," said Cheung Kee-hwa, a cheerful proprietor with thick hair and few teeth. "But it's about the same so far."

Hong Kong's new status as part of China, which people woke up to Tuesday, changed little on the surface of this bustling city.

But it registered, with bits of uncertainty and anxiety, in the minds of many ordinary people like Mr. Cheung.

"My father always said the Communists were bad, so I never went into the mainland," he said. "Now they say they'll leave Hong Kong alone. I would bet on the lottery before I bet on that."

A portly waitress, Lam Sun, who was listening quietly until this moment, suddenly piped up.

"It won't make any difference," she said, referring to Hong Kong's new status as a special adminstrative region within China. "My daughter was my biggest worry before, and she's still my biggest worry."

Mr. Cheung shook his head.

"Too simple," he said, dismissively.

"What if your daughter wants to work at a newspaper or a film company. Maybe she'll lose her job. Ever think about that?"

Ms. Lam retorted: "You think about politics too much. Who knows what will happen? It's all in the future."

Perhaps one of the effects of China's takeover of Hong Kong is that it will inevitably lead to more discussion of political issues, as the refugee mentality once so prevalent here gradually erodes.

If the elections promised for next spring are genuinely democratic, ordinary people grapple with even more political issues.

Yet the kind of change that gives Mr. Cheung anxiety, like restricting an ordinary person's freedom, still remain in the unknowable future.

"I've had this shop 10 years, and anyone can see I'm not getting rich," said Mr. Cheung, pointing at the red plastic menu on the wall, where dishes range in price from $2.50 to $3.50.

"It is a stable business, and I hope it remains the same."

Three customers laden with shopping bags, two men and a woman, walked in and took a seat at a table.

They spoke Mandarin Chinese, betraying their status as either visitors from the mainland or new arrivals since the turnover.

"What do you have, old man?" one of the new customers inquired brusquely.

Mr. Cheung pointed at the menu and the wall, but did not say anything.

"They can be so arrogant," he said later, when the three customers had left. "I don't like Beijing people. They think they know everything, but acutally they don't know anything."

He paused. Then he added: "It looks like we'll have to get used to them."

Sunil Malhotra/Reuters

TIBETANS PROTEST — Indian police corralling dozens of exiles from Tibet who demonstrated Tuesday outside China's Embassy in New Delhi to show support for democracy and an independent homeland.

In Beijing, Police Keep a Lid on Exuberance Over Hong Kong

New York Times Service

BEIJING — A select crowd of about 70,000 Chinese workers, students, police families and Communist Party members was bused to Tiananmen Square for the countdown to the return of Hong Kong to Chinese rule, which was marked by elaborate fireworks displays and a scripted entertainment extravaganza.

When the moment marking the end of China's colonial humiliation by Britain came at midnight Monday on the huge electronic clock here, Beijing was not a city of spontaneous celebration.

Rather, the center of the capital resembled an armed camp. Within the cordons was a controlled nationalistic display that was broadcast on state-run television.

Ordinary Beijing residents were blocked from entering the 99-acre (40-hectare) square. Thousands pressed barriers set up blocks away by a huge contingent of policemen in riot gear. This was the first time that Communist Party leaders sealed off the square with troops since October 1994, when they celebrated the 45th anniversary of the founding of the People's Republic.

Missing was the tolerance of the last few days, when hundreds of thousands of Chinese citizens flooded onto the Avenue of Eternal Peace and into the square to gawk at the festival of lights and lanterns that ringed the monument to China's war dead and festooned the colonnaded facades of the square's great halls.

The Setting Sun of Empire Looks Golden to Bermuda

'Here Come the Companies and the Funds'

By Larry Rohter
New York Times Service

HAMILTON, Bermuda — Britannia still rules the waves, at least here in the middle of the Atlantic Ocean, in the colony that now becomes the largest in what little is left of the British Empire. And here, they intend to keep it that way.

At downtown pubs like The Cock and Feather and Flanagan's, young insurance brokers and shipping agents eating their lunches could barely contain their glee Monday as they watched the televised ceremonies in which Britain handed over control of Hong Kong to China.

And they weren't the only ones who see the end of British administration there as a wonderful business opportunity for the 60,000 people who live here — about 1 percent of the population of Hong Kong.

"All we can say is thank you very much Hong Kong, because here come the insurance companies and the pension funds," said Conway Bennett, a native of Wales who is a waiter at Flanagan's. "You just know the Chinese are going to botch it and that Bermuda is going to benefit."

Indeed, Jardine Matheson, the mercantile house whose opium trade led to the war that allowed Britain to seize Hong Kong in the 19th century, transferred its corporate registration to Bermuda more than a decade ago. Jardine executives here were even sponsoring a reception to mark the handover Monday evening, which some thought a bit unseemly, given the circumstances.

"I mean, if they were all that confident about Hong Kong's future, they wouldn't have cut and run, would they now?" asked Brian Seymour, an accountant who was dressed in dark, calf-length socks and the shorts that this colony made famous.

Still, nearly half of all the other companies listed on the Hong Kong Stock Exchange, from shipowners to real estate dealers, also have established some sort of legal presence here, banking and government officials said, as have some of the Chinese government's own holding companies.

All are looking for something Hong Kong no longer can assure them: the impartiality and absence of political interference offered by British law.

"Nobody wants to find that the rules of the game have changed and the goal posts have moved," said Sir David Gibbons, chairman of The Bank of N.T. Butterfield & Son, a leading local company. "If there is a dispute, they want the certainty that the case can be appealed all the way to the Privy Council."

Offered a chance at independence in a referendum two years ago, Bermuda voters chose to retain the status quo by a margin of 3 to 1.

The people who live here, on 22 square miles (35 square kilometers) of land nearly 700 miles east of North Carolina, have an average income higher than Britain's, and so Bermuda feels little anxiety about its own future.

"We have the best of both worlds, really," said Cisco Smith, a 25-year-old air-conditioning repairman. "We pretty much run the country ourselves, and we have no income taxes. So there is no reason for anything here to change."

With Hong Kong's transfer, the British Empire is reduced to this island and a handful of other possessions scattered around the globe.

The bulk are in the Caribbean, where Anguilla, the British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands remain "dependent territories," as London prefers to call its colonies these days.

Elsewhere, Britain's domains range from the Falkland Islands, over which a war was fought with Argentina in 1982, and the Gibraltar Peninsula to Diego Garcia Island in the Indian Ocean and the Pitcairn Islands in the South Pacific.

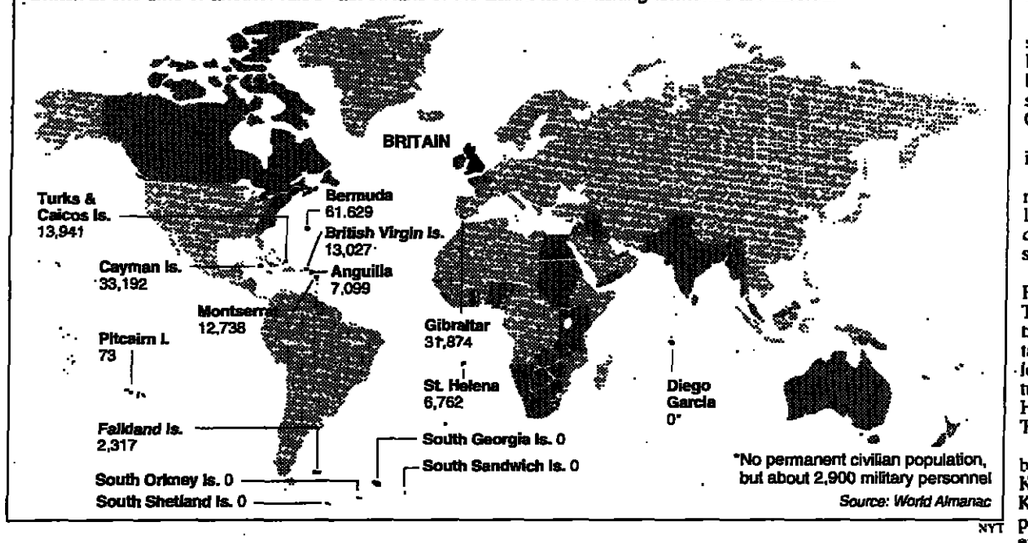
While the sun still may never set over a diminished British Empire, the ceremonies Monday nevertheless occasioned regret among a few traditionalists here.

"Symbolically, for those of us who were brought up in the days of empire, there is a certain nostalgia," said John Butters, a British naval officer who served in Hong Kong before retiring here. "It's sad to see former possessions go their own way, especially since Westminster started the wrong way around on this one and fouled up the negotiations over Hong Kong a bit."

As "the biggest and by far the most prosperous" of the colonies, Bermuda may now be in a position to get "far more attention" from the British bureaucracy, Sir David suggested hopefully.

Leftovers of Empire

Britain at one time or another ruled vast swaths of the Earth. Its remaining territories are labeled.



CHINA: *Taiwan's Turn Next*

Continued from Page 1

ment. Mr. Jiang and the six other members of the ruling inner politburo were joined by Yang Shangkun, the 90-year-old former Chinese president who has become the most senior elder statesman in the party since the death of Mr. Deng.

A murmur rose from the stadium when Mr. Yang's face appeared on the giant television screen mounted in the stands.

As recently as five years ago, Mr. Yang was considered the most likely person to succeed Mr. Deng as paramount leader. Mr. Yang, often a critic of President Jiang, has been a consistent advocate of bolder economic reforms and of political rehabilitation for those Chinese persecuted for participating in the pro-democracy demonstrations at Tiananmen Square in 1989.

Perhaps more threatening to the current political order, Mr. Yang has also quietly worked to rehabilitate Zhao Ziyang to the position of a respected retired elder. Mr. Zhao is the party official who lost his job when he refused to send troops against the unarmed students in 1989.

President Jiang got his job with Mr. Zhao's disgrace.

Mr. Yang did not speak at the stadium celebration but his prominent position signaled that he remains an active player in the party, even though Mr. Deng forced him into retirement in 1993 rather than follow Mr. Yang's suggestions on how to rearrange the younger generation of leaders.

Those suggestions were said to include the removal of Li Peng, the prime minister, who is most associated with the Tiananmen crackdown.

In his speech, Mr. Jiang paid tribute to China's elders, who in the culture of the party wield significance influence long after they retire.

He said the return of Hong Kong had "revived our profound memory" of Mao's generation "who were the founders of new China and made outstanding contributions to the Chinese nation."

■ Taiwan Wants Hong Kong Ties

Taiwan stressed Tuesday that it wanted continued ties with Hong Kong, The Associated Press reported.

"At the least, Taiwan and Hong Kong should be able to maintain their current level of relations, and we hope they will be able to improve and grow closer," said Mr. Chang of the Mainland Affairs Council.

Interference by China would hurt the interests of all three, he added.

The Chinese and Taiwanese governments are "equal political entities" and long-term separation between the sides cannot be equated with Hong Kong's status as a British colony, he said.

Because China has promised to grant Hong Kong considerable autonomy, Taiwan exempts Hong Kong from the tight restrictions it places on direct contacts with the mainland. It hopes the new legal structure will preserve trade, cultural and travel links, partly because Hong Kong is the main conduit for Taiwan's booming trade with China.

On Tuesday, Mr. Chang's council began handling relations with Hong Kong through a newly established Hong Kong Affairs Office, bringing together portfolios previously held by the Foreign Ministry and other agencies.

Taiwan has repeatedly expressed worries about China's respect for Hong Kong's institutions.

War games staged last week were also considered a message that Taiwan's defense capability made it a separate case from Hong Kong.

Taiwan's lively independent media provided extensive coverage of the handover and seven networks carried the ceremony live.

The coverage filled scores of pages in daily papers, and talk shows solicited opinions on the event's significance from countless politicians and academics.

HONG KONG: *Promises and Protests*

Continued from Page 1

departing on her flight to Washington.

The British foreign secretary, Robin Cook, announcing plans for a return visit to Hong Kong and for Prime Minister Tony Blair to visit China in 1998, threatened to take Beijing to the United Nations if it violated its agreement to preserve civil liberties here.

As the demonstration wound to a close, thousands of people headed to the waterfront for the territory's biggest fireworks display and a floating parade in Victoria harbor.

An armada of brightly colored floats swirled through the harbor and Hong Kong's skyline shuddered as a $10 million show planned for a celebration of Chinese reunification began with a roar. The fireworks display was mirrored by a smaller fireworks show and pageant in Beijing.

In his speech, Mr. Tung outlined a wide-ranging "10-year plan" for the future of Hong Kong, in which the territory would build 85,000 new apartments a year to ease its chronic housing shortage. To do that, he said he would speed up urban redevelopment, clear all temporary housing areas and reduce the average waiting time for rented public housing from seven years to three.

Mr. Tung said the government also would stop speculation in the property market, develop high technology industries and improve the quality of education and teaching.

The new demonstration law, however, was the most controversial of a raft of new laws and measures enacted by the new legislature. It also voted to tighten campaign finance laws, while Finance Secretary Donald Tsang appointed a committee to oversee a $21.8 billion land fund inherited from Britain.

That announcement followed the overnight transfer of the fund, which increased Hong Kong's foreign exchange reserves to more than $81 billion.

Mr. Tsang will chair the committee, and Joseph Yam, chief of the Hong Kong Monetary Authority, and Chung Shui-Ming, a former chief of the fund, will be deputy chairmen. Six prominent private sector bankers will make up the rest of the committee.

[Shares in Henderson Land Development Co. Ltd., one of Hong Kong's leading developers, eased in Tokyo on Tuesday, Agence France-Presse reported. And Hong Kong Land took a hit in Singapore.]

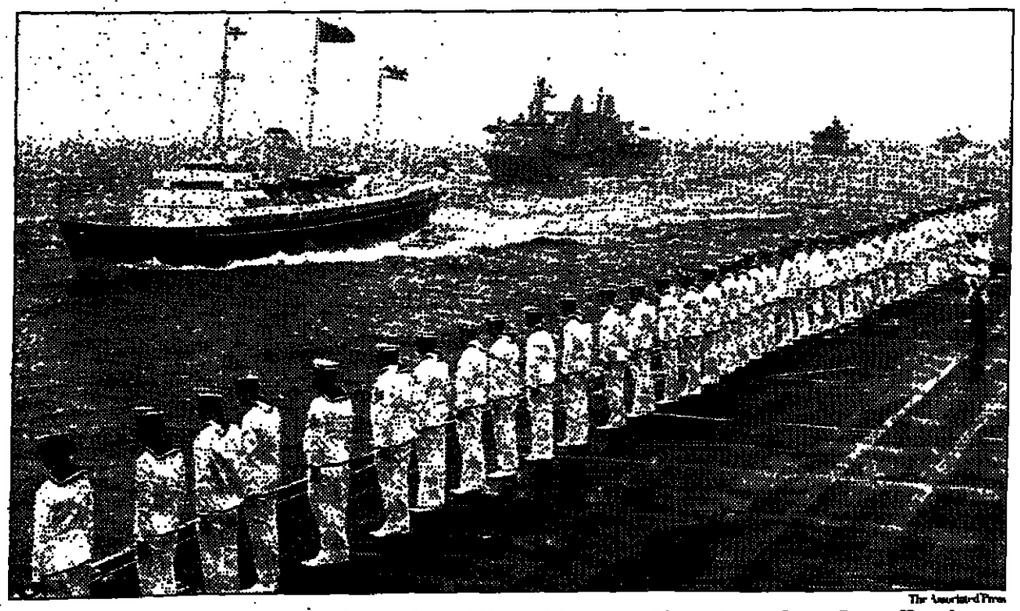
The first meeting of the new Provisional Legislature resembled stuffy Chinese Communist Party meetings, not the often heated debates of the Legislative Council it replaced when Hong Kong returned to China after 156 years as a British colony.

At dawn Tuesday, about 4,000 Chinese troops started arriving in storm-lashed Hong Kong in gunboats, helicopters, trucks and armored vehicles mounted with machine guns. Hundreds of people lined the streets to catch a glimpse of them. Chinese leaders have repeatedly stressed that the troops' primary function is for the external defense of China. But their deployment has rekindled memories for some of the People's Liberation Army's role in the Tiananmen Square crackdown of 1989.

The troops joined some 700 soldiers already here. More than 500 entered on Monday and two advance parties of 200 troops in all arrived in April and May. The soldiers were immediately deployed at bases vacated by British forces.

Agence France-Presse reported that at least 20 armored personnel carriers, each with a roof-mounted light machine-gun, crossed into Hong Kong. And for the first time, PLA helicopters landed and PLA gunboats docked in Hong Kong.

Delegations from some local councils waited to make presentations to the troops who crossed the land border, and lion dances were staged along their route to wish them luck.



The Associated Press

The royal yacht Britannia, port, passing the Ocean Wave 97 deployment in the South China Sea on Tuesday.

Taiwan Limits Travel by Its Military

Reuters

TAIPEI — Taipei said Tuesday that it was banning visits to Hong Kong by Taiwan's military and police personnel now that the territory is part of China.

From July 1, soldiers and policemen cannot make sightseeing or other pleasure visits to Hong Kong because of security concerns, although exemptions can be made for visits to ailing relatives or to attend funerals, a Defense Ministry spokesman said.

"It's a matter of national security," he said.

"Since Hong Kong has reverted to mainland sovereignty, we feel it's necessary to apply the same regulations governing mainland visits to Hong Kong," he said.

The tightened rules on visiting the former British colony makes them identical to restrictions long applied to visits to the the Communist-ruled mainland.

Exemptions for international conferences or business activities would be granted on a case-by-case basis.

Taiwan has said its extensive civilian contacts and exchanges with Beijing-ruled Hong Kong would remain unchanged.

Chinese Soldiers Settle Down In Former British Barracks

Agence France-Presse

HONG KONG — Thousands of Chinese Communist soldiers were settling Tuesday into comfortable new Hong Kong quarters, vacated just hours earlier by the British military, following the end of London's 156 years of colonial rule here.

The main barracks in Hong Kong Island's Central district, on Victoria Harbor, still bore its old name — Prince of Wales Building — but that undoubtedly will soon be changed.

The Chinese flag flew over the structure and the guards were no longer in kilts but rather in the olive drab uniform of the People's Liberation Army.

Chinese military trucks and various types of vehicles packed the barracks parking areas.

But there was still ample room at the adjacent quay, where the last British warship docked in Hong Kong, the frigate Chatham, and the royal yacht Britannia had departed shortly after midnight bearing Prince Charles and Governor Chris Patten toward Manila.

Chinese military vessels were docked at the former British military base on Stonecutters Island, which thanks to landfill reclamation, is no longer an island but a small peninsula in the harbor.

The Chinese Army already has major bases in the area around neighboring Guangdong Province.

But Hong Kong, with its enormous shipborne container traffic, is of great importance to China in a larger geopolitical sense. The former British colony, in its new role, underscores Beijing's increasing interests in the South China Sea.

Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The Empire's Legacy

Not just a colony ceased to exist as Hong Kong reverted to China early on Tuesday. An entire imperial epoch all but came to an end, fittingly and with Britain's sure sense of ceremony. The Prince of Wales spoke the right words and saluted as the Union Jack was lowered.

The colony's last governor took the prescribed final rides around Government House. Defying drenching rain, bagpipes skirled and Gurkha officers barked their commands for parting precision drill.

The eclipse of empire inherent in the ceremony was foreseen with uncanny intuition a hundred years ago in a poem of hypnotic cadences by the 32-year-old Rudyard Kipling. The poem was "Recessional," written for a very different occasion, Queen Victoria's Diamond Jubilee, and published in The Times of London on July 17, 1897. Unlike all the other celebratory words, Kipling's lines were steeped in pessimism and sternly warned against the "frantic boast and foolish word."

Britain in 1897 was the world's sole superpower, mistress of an enormous empire extending "over palm and pine." This was the age of New Imperialism, when most Europeans, and indeed most Americans as well, were gripped by the half-examined belief that the West had the right and duty to rule the rest. Hence the shock when Kipling, the bard of empire, gazed beyond the Jubilee to a time when the captains and kings would depart:

Far-called, our navies melt away;
On dune and headland sinks the fire:
Lo, all our pomp of yesterday
Is one with Nineveh and Tyre!

For Kipling, a romantic, the British empire was not just about profits or splotches of red on the map. The rulers were bound by honor to serve those they ruled, and they were beholden to the Lord of Hosts and Judge of Nations. By today's standards, his vision may be wrongheaded, condescending and foolish, but it was not hypocritical.

In fair measure, Britain did nurture overseas belief in rules, fair play and free speech.

Hong Kong's Chinese rulers will understandably dwell on the evils of colonialism. But a decent respect for truth requires an acknowledgment that Britain's legacy also includes Hong Kong's yearning for democracy and its material prosperity. As of early Tuesday, as Kipling foresaw, the empire now lives mainly in history.

—THE NEW YORK TIMES.

Outrageous Tax Plan

One of the most bitter fights in connection with the tax bill the U.S. Congress is now writing has to do with a device called the earned income tax credit, or EITC. It's an obscure and underappreciated provision which, at $28 billion a year and rising, has become the major form of federal aid to low- and lower-middle-income workers. Partly to save money for other tax cuts heavily tilted toward the better-off, the Republicans propose to change the rules by which the EITC traditionally has been applied in a way that would vitiate it. The Democrats, led by the president, have mounted a defense. We hope on this they are unyielding. The rest of this bill is bad enough. To weaken a benefit for lower-income workers to pay for it is an outrage.

The EITC was created in 1975, in part to compensate low-wage workers for the increasingly heavy Social Security and other payroll taxes they were having to pay, and to sharpen the incentive to work. A number of other rationales have been used for increasing it over the years — that it constituted a child care subsidy for the working poor by another name, for example, or that it could be looked upon as an alternative to increasing the minimum wage. The basic purpose, through all the labels, has been to increase the after-tax income of lower-income working families — particularly those with children.

The credit thus comes at the very end of the income tax calculation; that's where it has come in the past, at any rate. First, workers figure what their tax would be — the normal tax, you could call it — using all the other provisions in the code. Then they figure their EITC — a percentage of earnings, on a complicated sliding scale. They use the EITC to reduce or eliminate their tax — and if there is any left over, the government pays them that amount. The tax code and Treasury are used to administer a government wage supplement.

The Republicans would reverse this order in the case of the children's tax credit that is a central element in their bill. What sounds like just a mechanical step — who cares which calculation comes first? — turns out to have an enormous effect. Instead of letting workers use the children's credit to reduce their liability and then collect their entire EITC in addition, they'd deny the children's credit to workers whose EITC was enough to eliminate their liability. Millions of low-income households would be losers, relative to other families with children. But at bottom it's not the children's credit they're playing with; it's the value of the EITC.

The sponsors say it's only fair to do as they propose, since the purpose of this bill is to give relief to taxpayers, not add to "welfare." Of all the distortions they have used to grease and sell this awful bill, none matches this. The implication is that the people who would lose from this provision are freeloading. The absolute opposite is true. These are working people, typically with children and with incomes in the range of, say, $17,000 to $27,000 a year — precisely the kind of struggling, taxpaying, not-on-welfare Americans for whom the Republicans profess to bleed. The EITC may wipe out the income tax liability of many of them; it doesn't wipe out their total liability, counting the payroll tax. They remain net taxpayers. Is this really the part of the population that the Republican Party wants to stiff in order to pay for a tax cut for folks much better off?

The EITC is not a perfect instrument, but on balance it is benign. The president helped strengthen it in 1993, to his credit. We hope he now will draw a line; the Republicans need to understand that this one is out of bounds.

—THE WASHINGTON POST.

Bad Sport

It's pretty hard by now to besmirch the name of prizefighting, but if anybody was capable of finding a new way of doing so it would be Mike Tyson, abetted by his customary retinue of hangers-on and mishandlers. On Saturday night the former heavyweight champ took a bite out of each of his opponent's ears, causing bloody, disfiguring injuries. It was about as outrageous a ring performance as anyone can recall, and for Mike Tyson it ought to be the last, despite his apology Monday. The Nevada State Athletic Commission is to look into fines and other punishments; any suspension it hands down needs to be long enough that it serves to end Mike Tyson's career.

This is not to say that the assault on Evander Holyfield during a heavyweight championship fight in Las Vegas was the most appalling thing ever seen in the ring. Boxing is a sport in which, over the years, a number of men have been literally beaten to death in front of roaring crowds. Many more have suffered brain damage from the repeated head trauma of fight careers. The grainy film of Jack Dempsey battering Jess Willard to the floor more than 70 years ago is as painful to watch today as the slow-motion replay of Saturday night's attack.

What makes the weekend's transgression so foul is the blatant and unabashed offense against sportsmanship; the phony excuses Mr. Tyson offered up afterward about seeking revenge for what appeared to everyone else to be an inadvertent head butt from his opponent; the speech he delivered about protecting his children, his career, his very livelihood (this from a man whose purse for the night was $30 million), and his manager's crude, insulting comments about Evander Holyfield.

After Mike Tyson's disqualification, there was a miniriot in the ring, followed by panic in the nearby casinos as gamblers scrambled out to escape violence or the threat of it (there was a lot of fighting going on between Tyson and Holyfield partisans). If anything good could be said of the night's proceedings it was that they gave a clear picture of a very bad business at its very worst.

—THE WASHINGTON POST.

Herald INTERNATIONAL Tribune

ESTABLISHED 1887

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen

KATHARINE P. DARROW, *Vice Chairman*

RICHARD McCLEAN, *Publisher & Chief Executive*

MICHAEL GETLER, *Executive Editor*

• WALTER WELLS, *Managing Editor* • PAUL HORVITZ, *Deputy Managing Editor* • KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • SAMUEL ABT and CARL GEWIRTZ, *Associate Editors* • ROBERT J. DONAHUE, *Editor of the Editorial Pages* • JONATHAN GAGE, *Business and Finance Editor* • RENÉ BONDY, *Deputy Publisher* • JAMES McLEOD, *Advertising Director* • DIDIER BRUN, *Circulation Director.*
Directeur de la Publication: Richard McClean

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 41.43.93.00. Fax: Subscriptions, (1) 41.43.92.10; Advertising, (1) 41.43.92.12; News, (1) 41.43.93.38. Internet address: http://www.iht.com E-Mail: iht@iht.com

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334. Mng. Dir. Asia: Rolf D. Kranenpuhl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190. Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. +49 69/97 1250-0. Fax +49 69/97 1250-20. Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785. U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254. S.A.S. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337.

©1997, International Herald Tribune. All rights reserved ISSN. 0294-8052.

A Heavyweight Fight in the Hong Kong Ring

By Thomas L. Friedman

HONG KONG — Maybe the most important point to keep in mind about Hong Kong on Tuesday is that the heaviest concentration of Chinese troops here was not in the city center to protect the handover ceremony. It was along the border between China and Hong Kong, and those troops were there to keep out the millions of Chinese eager to flock here to become part of Hong Kong. Everything else is just commentary.

That is to say, in the great struggle over who will now influence whom — China or Hong Kong — don't write off Hong Kong so quickly.

China is big, but Hong Kong is fast, in a world where speed of adaptation, innovation and production is everything. China is heavy and Hong Kong is light, in a world where light is everything, because the lighter your products the more knowledge they usually contain and the more they sell for. China runs on coal, Hong Kong runs on information in a world where information technology is the key to a modern economy. China is the past, Hong Kong is what China wants to be when it grows up.

It's no accident, as Business Week reported, that one of the most popular rock songs in China today is "My 1997," by the pop star Ai Jing, with its lyrics: *"Hong Kong, Hong Kong, what's it all about? / ... Take me to that wonderful world, / Give a passport to this girl. ... / Come on 1997! So I can make it to Hong Kong."*

China has promised to treat Hong Kong as a special autonomous zone, preserving most of its old freedoms and all of its old capitalism.

China has promised to maintain "one country, two systems."

Let me make one prediction: "One country, two systems" is not what is going to happen here.

Either you will have "one country, one system," and that system, over the long haul, will look more like Hong Kong than today's China, because Hong Kong is such a powerful model for every Chinese city. Or China, with its endemic corruption and absence of rule of law, will eventually overwhelm Hong Kong and you will have what the British foreign policy writer John Chipman calls "one country, no system."

Because China today is a big country heading toward no system. It has largely abandoned communism, but it has not fully embraced capitalism. Oh yes, it has the hardware of capitalism — free markets — but it still has little of the software to go with it: the regulatory bodies, the transparent markets, the rule of law.

Chen Yaying, a 24-year-old waitress in the Chinese city of Shenzhen, was quoted in the papers here Tuesday morning about why she couldn't wait to cross into Hong Kong. "In Shenzhen," she said, "few people observe traffic lights and they cross the road whenever they like." One country, no system.

The strength of Hong Kong was that it combined Chinese capitalist hardware — that is, Chinese entrepreneurial talent, energy and money — with British software — the rule of law, an independent judiciary and the enforcement of contracts and property rights — and together they made Hong Kong rich and powerful. The real danger here is that China, now that it has taken over Hong Kong, will put its virus in Hong Kong's software.

To be sure, the case for that not happening and for Hong Kong dominating China remains considerable. For the last 20 years Hong Kong has reshaped China, much more than the other way around. One-third of China's foreign exchange earnings come from Hong Kong. Hong Kong is the single largest foreign investor in China. Roughly 50 percent of China's exports to the United States and the United States's exports to China go through Hong Kong. Hundreds of provincial, county and city governments in China have major investments in Hong Kong, and Hong Kong is already financially, culturally and physically the model that all of China's coastal trading centers are patterning themselves after. Already Greater Hong Kong extends up the Pearl River into China's Guangdong Province, creating a huge integrated megalopolis of 20 million people playing by Hong Kong's rules.

And as Margaret Thatcher asked here the other day, how long will it be, now that Hong Kong is back in China's hands, before the other cities of China start asking, "Why is Hong Kong different — the same people, the same talents and abilities?" The only difference is that Hong Kong has the software of free markets, and China's other cities don't.

The real choice is 'one country, one system' or 'one country, no system.'

And while Britain is largely responsible for that software, this democratic capitalism is also the natural outgrowth of Hong Kong's own development. Anyone who thinks that democratization in Hong Kong was just an 11th-hour maneuver of the last British governor, Chris Patten, is sadly mistaken. Mr. Patten was not the cause of the democracy movement in Hong Kong, he was the effect of it.

Hong Kong is a city-state with a per capita income of $26,000, seven universities, 90 percent literacy and a workforce largely employed in white-collar, knowledge-based services. To think that such a community, so economically empowered, would not demand political empowerment as well is an utter illusion. China is going to learn that lesson very, very soon.

Still, the forces that could turn Hong Kong into "one country, no system" are also considerable, and they, too, begin in Hong Kong. I worry less about China deliberately trying to wreck this place and more about Hong Kong's wealthy elite doing it themselves.

Hong Kong has had plenty of underworld activity in the days of the British, but nevertheless, when it came to the core business of the city, the British delivered a professional administration. As a British official here remarked before leaving, "We always made sure that the gamblers and the croupiers were kept separate."

That takes constant vigilance. This is one complicated city.

"We're like Rick's Café in 'Casablanca,'" said the Hong Kong veteran sitting next to me at the official handover dinner. "Every possible strand and character in this part of the world is present in Hong Kong."

Unfortunately, Tung Chee-hwa, the new leader of Hong Kong, has initially surrounded himself with a kitchen cabinet that includes some business elites who have little respect for democracy and appear more interested in cutting their own deals with various power centers in China than guarding Hong Kong's unique character.

If Mr. Tung isn't vigilant about defending the integrity and autonomy of Hong Kong, the impulse for people here to go around the Hong Kong government, and team up under the table with allies in Beijing will be enormous.

But it's too early to judge Mr. Tung. All that one can say for now is that what happened Tuesday was the end of the struggle between Britain and China over who owns Hong Kong and the beginning of the struggle between China and Hong Kong over who owns the future.

The good news is that this is not a fight between a gorilla and a mouse. It's a fight between two gorillas. As for me, I'm still betting on King (Hong) Kong.

The New York Times.

Free Trade Doesn't Create More Jobs, It Creates Better Jobs

By James K. Glassman

WASHINGTON — President Bill Clinton is to issue a report card next week on the first three years of the North American Free Trade Agreement, or NAFTA. He'll say it's been a success because U.S. exports have risen despite Mexico's terrible financial crisis. Opponents will say it's been a failure because the U.S. trade deficit has widened and we Americans have lost jobs. And we'll be back to a bloody fight.

NAFTA won't be repealed, but if it's perceived as a flop it will jeopardize the extension of liberalized trade to Chile, the rest of Latin America and Asia.

In order to win agreements with those countries, President Clinton needs "fast track" negotiating authority, so Congress can't delay the deals or add crippling amendments. Fast track is vital, but to get it, advocates in the White House and Congress are going to have to stop making the wrong arguments on behalf of more open trade.

The worst is that free trade creates jobs. It doesn't, but it does do something far better. It creates wealth.

Jobs are not an end in themselves. They are the price we pay for what we really want. Or as Adam Smith put it in 1776, "Consumption is the sole end and purpose of all production."

Imports are the benefit; exports are the cost.

This is a tough idea for Americans to grasp. But consider an anecdote told in the Cato Journal by Jerry Jordan, president of the Federal Reserve Bank of Cleveland.

Mr. Jordan describes a U.S. businessman visiting China a few years ago. The American came upon a team of 100 workers building a dam with shovels. He commented to a local official that, with an earthmoving machine, a single worker could build the dam in an afternoon.

Concede the losses; they're part of the creative destruction that leads to a stronger economy.

The official replied, "Yes, but think of all the unemployment that would create."

"Oh," said the businessman. "I thought you were building a dam. If it's jobs you want to create, then take away their shovels and give them spoons."

Work is what we need to do in order to acquire things to live well. Free trade helps us get those things more cheaply because it allows many more producers to sell them to us — and because it frees us to concentrate on the work we do best.

Say, for example, that a country is full of brilliant electronic engineers but that it won't allow any textile imports across its borders. The engineers would have to sew their own shirts to wear. They'd have less time for electronics and the country would be poorer for it.

What about a trade deficit? Imagine that the country that sells the shirts never buys the electronics. Instead, it takes back little pieces of paper called, say, dollars. That doesn't sound like such a bad deal for the electronics-specializing country: They send us shirts, we send them paper promises.

But the protectionist impulse has always been strong in America. In Adam Smith's words: "In a mercantilist or protectionist system, the interest of the consumer is almost constantly sacrificed to that of the producer." That's because producers — and their union allies — don't like competition, and they enlist the aid of politicians to keep it out.

To resist the protectionist impulse, the United States has needed tough, principled presidents. Unfortunately, Mr. Clinton is preoccupied (he almost lost NAFTA and the World Trade Organization for the same reason). He also wants his vice president, Al Gore, to succeed him — and Mr. Gore's likely Democratic foe, House Majority Leader Dick Gephardt, is a fierce opponent of extending the NAFTA idea.

A nervous Clinton administration asked Representative Bill Archer, the House Ways and Means chairman, to put off consideration of fast track until September. Mr. Archer had no choice but to delay. He assured me recently that "fast track isn't dead." Maybe not, but the threats are ominous.

They'll grow worse. The president's report, I'm afraid, will only highlight the errors made by NAFTA advocates.

"Free trade does not create jobs," writes the Stanford University economist Melvyn Krauss in "How Nations Grow Rich," his excellent new book. Instead, "it creates income for the community by reallocating jobs and capital from lower-productivity to higher-productivity sectors of the economy."

Free trade gives us not more jobs but better jobs. It may kill jobs in the textile industry, which is labor intensive, but breed new jobs in electronics.

Concede the losses; they're part of the creative destruction that leads to a stronger economy. The Labor Department has declared 125,000 job-losing Americans eligible for special NAFTA aid, including 636 workers at a toilet paper plant in Memphis, Tennessee. Through such events, the market is telling us it's more efficient for some other country to make our toilet paper.

But it's sheer lunacy to argue that, on balance, free trade hasn't made the United States richer. In the years since NAFTA and the WTO were established, our unprecedented economic boom has only accelerated. Gross domestic product is rising at an annual rate of 4.1 percent. Unemployment is just 4.8 percent.

"There can be no doubt," writes Mr. Krauss, "that the prosperity of the industrial nations since World War II has been due largely to global specialization and interdependence."

Exactly. That's why we trade. And that's why our prosperity is at stake if — out of cowardice, ignorance and cynicism — Congress and the president decide now to retreat.

Washington Post Writers Group.

Answers to Some Common Questions on NATO Expansion

By Alfred Cahen

PARIS — A few days ahead of NATO's first expansion toward the east, the step has raised questions — for which there are answers.

• Will enlargement dilute an alliance — a security system — that has worked well for 50 years?

To remain effective, the alliance has to adjust to a Europe that for the first time in 50 years is not divided. The new stage is the first part of a process of adaptation to make the alliance adapt as Europe changes. Roland Smith of Britain's Foreign Office said recently: "There is no contradiction between these objectives and our wish to keep the alliance militarily effective. A collective approach to defense planning within NATO promotes transparency and trust between allies and discourages the risky, and expensive, renationalization of defense."

At the same time, he said, "it means that when a multinational force is needed, as in Bosnia, NATO can provide it."

• Aren't countries earmarked for the "first wave" the ones that are the least threatened while the most exposed countries — the Baltic states, Ukraine — are left out?

No European country's security is seriously threatened or about to be. If threats do exist, they arise on the southern rim of Europe and involve local situations, not a peer power or even a local hegemon. The whole idea of the new Euro-Atlantic security architecture is to consolidate a situation in which military threats become obsolete.

What prospective new members want out of NATO — much more than a security guarantee that they don't really need at this stage — is re-entry into the Western world. True, this could have happened through adhesion to the European Union, but that process remains slow. So these central European countries give priority to alliance membership.

• Aren't some countries being condemned to second-class status?

NATO is not going to forget — and is not going to be allowed to forget — countries that aren't in the first wave of membership. Poland, Ukraine and the Baltic states recently appealed to the alliance to remain open to all countries that want to join. At the summit conference in Madrid, NATO leaders are certainly going to promise an open door for further expansion.

• Isn't enlargement a "new Yalta," redividing Europe between NATO and other states that are only associated with the alliance but not members?

NATO has made it clear that *all* interested states can be involved in the new Euro-Atlantic security architecture — not only in its implementation but also in its management.

The commitment was articulated by Klaus Kinkel, Germany's foreign minister, when he wrote *(IHT, May 30)* that NATO leaders should declare that "NATO's security is inextricably linked to that of the whole of Europe; that the consolidation of democratic and free societies on the entire continent in accordance with OSCE principles is therefore of direct and material concern to the alliance; that it shall be NATO's policy to support free nations which share the values of the alliance, and that among those sharing these values are the members of the European Union as well as the candidates for EU membership, including the Baltic states."

• Isn't the OSCE being overlooked?

On the contrary, linkage with NATO is essential because of the cumulative effect of security safeguards extended in the two organizations. The enlargement of both organizations should, therefore, be compatible and mutually supportive. An eventual broad congruence of European membership in NATO, EU and the Western European Union would have a positive impact on European security.

• What about the cost of enlargement? Can new democracies struggling to achieve indispensable economic reforms afford the modernization of their armed forces needed to bring them up to NATO standard?

These governments believe that they can get security (and military modernization) more cheaply in the alliance than on their own outside it. Asked if they wanted membership even if it involved financial sacrifice, majorities said yes in Poland and Romania. In none of these countries is there a hostile majority.

• George Kennan, the great scholar of Russian affairs, maintains NATO's expansion could "inflame nationalistic, anti-Western and militaristic tendencies in Russian opinion." And there seem to be ambiguities between what the alliance says it promised and what Russia thinks it has gotten on NATO activities in new member states. Are we stumbling toward confrontation?

President Boris Yeltsin's acceptance of the Founding Act is a *fact* — not a speculation. It implies Russian agreement to be a part of the new Euro-Atlantic security architecture. True, a majority in the Russian Parliament, the Duma, remains hostile. But does it represent the real feelings of the Russian people? Public opinion as a whole has not reacted. Is the Russian electorate going to return the present Duma majority to power? Probably not.

• Will the lion's share of armaments orders by new members go to the United States?

It's up to the Europeans to compete. The WEU would be a good forum for consultations designed to produce packages, perhaps sometimes in cooperation with U.S. companies, designed to meet the prospective allies' circumstances.

The author, a retired Belgian ambassador, is secretary-general of the Atlantic Treaty Association. He contributed this comment to the Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Siam Quarrel

PARIS — For the French, every inhabitant of Cambodia must have fulfilled certain conditions as to residence in order to obtain French protection. The Siamese Government, on the other hand, demands that only families as have resided in Cambodia for generations past should enjoy this protection. Hence the continual conflicts. But the French base great expectations of a settlement of this affair on the forthcoming visit of the King of Siam to Paris, as he will have seen Count Mouravieff, who will have made him understand how important it is to settle the matter.

1922: U.S. Rail Strike

NEW YORK — Although 400,000 railroad shop workmen walked out to-day [July 1] in a strike, the public was hardly aware of the fact. Train service was normal, and railroad executives claim that it can be maintained despite the strike. However, the strike of 225,000 maintenance and right-of-way workers has not yet been called. President Harding said that the Federal Government will fully enforce decisions of the Railroad Labor Board, whether affecting executives or workmen.

1947: Rationing Ends

PARIS — After seven years of severe rationing, smokers in France really felt free to smoke to their hearts' content yesterday [July 1] when tobacco and cigarettes went on free sale. In Paris, the rush to buy was so great that many tobacco dealers were obliged to apply the brakes again when their stocks threatened to disappear. Inveterate smokers did not seem to mind the 75 per cent rise in the price of the various brands manufactured by the French State monopoly.

OPINION/LETTERS

IBM Sends a Message: High School Counts

By Robert J. Samuelson

WASHINGTON — We had a small announcement from International Business Machines Corp. the other day that could have large consequences for education. The company said it had begun asking for high school transcripts from young workers wanting manufacturing jobs.

The idea is to persuade students in high school — when the cult of cool is often so contemptuous of adult values — to take school seriously. IBM is saying that how they do in school matters and that a diploma, by itself, is not enough.

It's a crucial message. Motivating students is the central problem of high schools. Perhaps the only exceptions are students aiming for elite colleges. Competition for scarce spots compels these students to work hard. But only 100 to 200 colleges have tough entrance requirements. Most others gladly take any high school graduate. Without students (and the federal and state funds they bring), these colleges would cease to exist. And almost 40 percent of high school graduates do not go to college.

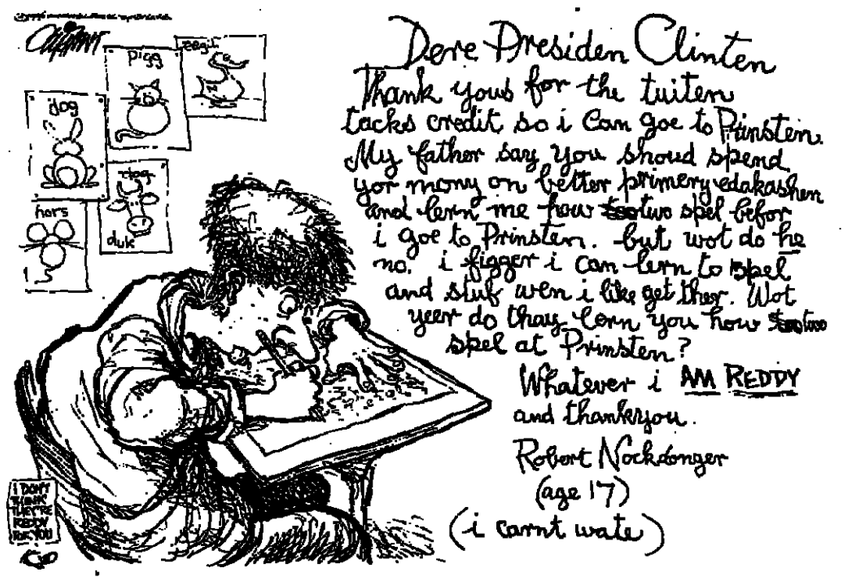
Since World War II, the economic worth of a high school diploma has eroded as more Americans have gotten one. In 1940, only 25 percent of adults 25 years and older had graduated from high school. That was 82 percent in 1995.

A high school diploma no longer guarantees a well-paid job. This has been particularly true since the 1970s, the economists Richard J. Murnane and Frank Levy write in their recent book, "Teaching the New Basic Skills." Employers, reacting to declining profit margins and rising competition, became more selective in their hiring. Companies began to favor college graduates for jobs that had once gone to high school graduates: skilled factory jobs, office managers, technicians and customer representatives.

Companies preferred college graduates not because these jobs involve college-level skills but because a high school diploma no longer seemed to signify the needed competencies.

These are what Mr. Murnane and Mr. Levy call "the new basic skills." They include the following: doing ninth-grade reading and math; solving "semistructured problems where hypotheses must be formed and tested"; and communicating clearly in written and oral speech. Perhaps half of all high school seniors lack these skills, they conclude.

Why? It's not because most students are stupid or lazy. The best answer is: peer pressure. In after-school jobs and sports, "young people work very hard," writes the economist John Bishop of Cornell University. But no "adolescent wants to be considered a 'nerd' ... or (for blacks) to be viewed as 'acting white.'" Alone, schools can't easily change the climate, because they also face pressure from parents not to be too tough.



In research, Mr. Bishop has shown that outside standards that schools cannot manipulate — graduation tests, entrance requirements — raise achievement. The job market could impose one such standard. If high school graduates who did well earned higher wages, there would be more reason to work harder.

But in early jobs, they don't. After five or six years, those with better skills earn more, as performance is rewarded through promotion. But the time lapse is too great to impress most students. The message doesn't get back. What IBM aims to do is make the connection. Anyone within five years of high school applying for a manufacturing job will be asked: What courses did you take? What were your grades? Were you on time for class? Those receiving job offers will have to provide transcripts to verify their answers. In isolation, IBM's policy won't matter much. Only about 10 percent of its 125,000 U.S. jobs are in manufacturing. Still, IBM's change shows a new willingness to impose meaningful standards directly on students. We are seeing other examples. The Chicago school system has rejected social promotion in word and deed. It flunks students in eighth and ninth grades who are well below grade level. They have to go to summer school or repeat.

The fault for overlooking high school transcripts does not lie entirely with companies. "Equal opportunity" laws bar employment practices — giving tests, asking for grades — that might have a "disparate impact" on minorities unless the practices have a "valid" relation to the job. So IBM had to do research showing that good grades improve job performance. But most employers can't afford research; the foolish requirement ought to be repealed.

If we expect students to take school seriously, we have to take what they do in school seriously. Unless they see a reason to work harder, little else matters.

Washington Post Writers Group.

A Bunch of Loopy Rules For Washington Players

By Al Kamen

WASHINGTON — And now, the winners of the First Annual "In the Loop" Washington Rules Contest.

More than 300 readers entered from all over the world, much to our surprise! Some submitted dozens of aphorisms and observations on how Washington works. One contestant submitted 63 — in an effort to win an official, 100 percent cotton "In the Loop" T-shirt. This is definitive proof that people — particularly Washington Post readers — have far too much time on their hands.

Here are some of the panel's favorite responses:

ON POWER:

"Ostensible power is making the speech or doing the meeting; real power is writing the talking points." — Kevin Boyd, an economist.

"Power obtained is power taken from someone else." — Paul M. Cole, a telecommunications consultant.

"In Washington, it's not so important that you succeed, but that your friends fail." — Mike Doble, a public relations executive.

ON PLAY:

"Politics is Hollywood for ugly people." — Scott Milburn, a House aide.

"An only-in-Washington pickup line: 'So, was that you on C-Span yesterday?'" — Shannon Stewart, a House aide.

"Overheard at a Washington cocktail party: 'I'm not anybody myself, but I am on the staff of somebody.'" — Mike Tongour, a former Senate aide and now a Washington lobbyist.

"Sex is to love as Washington is to truth" — L. H. Boivin, who works for the Federal Aviation Administration.

ON SURVIVAL:

"The precision of the answer is inversely proportional to the significance of the question." — Michael D. Bird, retired from Treasury's office of tax analysis and at the Joint Committee on Taxation.

"The worse the news, the lower ranking the official chosen to announce it." — Jeffrey R. Kern, who works in the State Department's operations center.

"Screw-ups are like hula hoops and frisbees. They are easy to work with if spun properly." — Anthony Schreiber, a sales representative.

"When in doubt, obfuscate." — Ron Nessen, spinmeister for former President Gerald Ford.

"Flexibility is the key to success. Indecision is the key to flexibility." — Eric Larson.

"I didn't do it. I didn't mean to. I didn't know. It's not a crime. They did it, too. I'm sponsoring a bill to ban it." — Paul Singer, a reporter.

ON PROCEDURE:

"If you torture numbers long enough, they will confess to anything." — Charlie Thayer.

"Anyone talking about the next cycle is not discussing their hormones." — Elizabeth Chadderdon, an event coordinator for the Democratic National Committee.

"The fact that it didn't work before doesn't mean we will not try to make it work again." — Erik Kjonnerod, a senior fellow at the National Defense University.

"Whatever you think it costs, multiply by 10." — David Sarokin, a manager at the Environmental Protection Agency.

"It's only precedent if you follow it." — Barret L. Brick.

"State that your bill stands for the opposite of how it reads." — Alexander Greenfeld, a Washington libel attorney.

ON PERFORMANCE:

"Being seen is not as important as being anonymously heard." — Beverly M. Baker, a George Washington University law student.

"An ounce of perception is worth a pound of performance." — Steve Tirpak.

"If they are begging for a few dollars, they are street people. If they are begging for billions, they are lobbyists." — James Boone, a George Mason University professor.

ON STYLE:

"Sincerity is a style like any other." — Steve Kraft, an engineer.

"Just a spoonful of saccharin helps the mendacity go down." — Phil Frankenfeld.

AND THEN ...

"You can never be late for the Senate." —Adam Clymer, a reporter who covers Congress.

"The buck doesn't stop." — Don Wolfensberger.

The Washington Post.

MEANWHILE

LETTERS TO THE EDITOR

America Needs Work

Regarding "Jospin Says U.S. Was Trying to Impose Its Ways in Denver" (June 25):

Europeans can give some solid lessons to us Americans about how to show concern for our fellow citizens and to respect Judeo-Christian values. Rather than lecturing our guests at the Denver summit meeting, perhaps we should have listened more closely.

The American way of concentrating too heavily on the generation of wealth and neglecting the social-economic fallout leaves a lot of broken lives in its wake. It would be better to focus more on problem prevention than on picking up the pieces.

A little more emphasis on education and serious job training for teenagers would go a long way toward helping us realize the American dream for the forgotten ones on the bottom.

ROBERT F. ILLING.
Porto, Portugal.

Shortly after reading about President Bill Clinton's gloating over the low U.S. unemployment figures at the Denver summit meeting, I happened to read about imprisonment rates in various countries. For each 100,000 people, the study found, most European countries have about 100 citizens in jail. The United States, along with Russia, figured at the high end of the scale, with more than 600 incarcerations per 100,000.

Although this figure must in some way contribute to America's low jobless rate, it is not one that Mr. Clinton wanted to boast of to his European counterparts.

JAMES WILSON.
Paris.

'Machines of Death'

Regarding "Clinton Sides With Pentagon on Mines" (June 18):

Land mines are immoral. These revolting devices kill indiscriminately. The American military states that such machines of death are necessary for "protecting our troops and saving lives."

Other solutions are available. No civilized person can accept that our children can thus be torn apart.

NICOLAS DE TREY.
Rueil-Malmaison, France.

A Vote but No Voice

Regarding "Toward a 51st State?" (Editorial, June 9):

The editorial says: "Puerto Ricans are Americans. The issue is that they are citizens without full political rights, including a vote in Congress."

I can think of another group like this: U.S. expatriates.

We can vote through our last state of residence, but we have no one representative to speak for us.

JOHN GREGORY.
Jouy-sur-Eure, France.

BOOKS

THE WHOLE SHEBANG: A State-of-the-Universe(s) Report

By Timothy Ferris. 393 pages. $25. Simon & Schuster.

Reviewed by
Joel Achenbach

AMBITIOUS physicists would very much like to explain away the entire universe, drain it of mystery, decode its essence. They'd like to finish once and for all the job begun thousands of years ago by astrologers, shamans and lonely shepherds staring into the night sky. Ideally, physicists would hope to boil the universe down to a few simple, aesthetically pleasing equations, a few mathematical truths from which everything in the cosmos emerges in a natural and orderly if not inevitable fashion. They would like the universe to be something less than a miracle. "The task of the physicist is to see through the appearances down to the underlying, very simple, symmetric reality," Timothy Ferris writes in his new book, "The Whole Shebang: A State of the Universe(s) Report."

But clearly the physicists still have a lot of explaining to do. They have detected the expansion of the universe, with its implication that the universe was once exceedingly small, but there are still debates about the pace of the expansion, the age of the universe, and its ultimate destiny (dissipation? collapse?). They have a well-established quantum theory that explains how particles and forces interact on the smallest of scales, but which has so far been unable to account for the force of gravity, the great shaper of cosmic structure. Haunting the entire process is the mystery of why there's a universe at all: Why is there something rather than nothing?

In the search for answers, cosmology has been merging with particle physics. To figure out the world of the very large, cosmologists have to understand the realm of the very small. This creates a challenge not only for scientists but also for the average lay reader of science books. Many of us may feel mentally prepared to go on a journey across the starry expanse of the universe but not necessarily down into the murky interior of the atom.

Ferris, fortunately, is a compassionate and clever guide. As one of the premier science writers, he knows that his job is not to try to impress the physicists. Bravely he takes the reader into the esoteric realm of dark matter, "spacetime foam," and 10-dimensional superstrings. His description of superstring theory is extremely nimble:

"Strings are just curved space. The central riddle of genesis — how can the universe have come into being, if, as Shakespeare put it, 'Nothing can be made out of nothing'? — is answered thus: Everything is nothing, in a sense, for all is made of space, which in this context means pure geometry."

Obviously we have left Euclid far behind.

One can sense that at times even Ferris is uncomfortable with the abstruse nature of modern cosmology, as when he writes: "Readers who are marking their scorecards will want to note that the neutralino is a linear combination of the supersymmetric partners of the photon, of an early-universe boson called the Z° and of the theoretical Higgs boson."

Make no mistake: Cosmology remains a field heavily shot through with philosophical speculation. Ferris includes a playful chapter on theology, guessing that God would want to create a universe that was itself creative, using life as a divine agent for reversing the dreariness of entropy, the tendency for heat to dissipate and orderly systems to fall apart.

Theology spawned cosmology, but as cosmology probes ever deeper into the mystery of the universe it tends to circle back to theology. Last year John Horgan, a writer for Scientific American, published a book called "The End of Science," which contended that our greatest scientific achievements (like the theory of evolution or the discovery of the expansion of the universe) are behind us, that most future discoveries will either be trivial or simply irrelevant to the world in which we live.

Ferris would contend otherwise.

If there are more great discoveries to be made, Ferris would be someone you'd want around to explain them. He's been inspecting the cosmos now for two decades, and he seems to have it sussed out.

Simply for entertainment value I did not enjoy "The Whole Shebang" as much as Ferris's previous effort along these lines, "Coming of Age in the Milky Way," published in 1988. The two books are similar in scope and tread much the same turf. But "Coming of Age" was more of a historical detective story, an account of the human race's intellectual journey to understand its place in time and space.

"The Whole Shebang" is the graduate-level sequel. Looking forward to the future of cosmology, it poses as many questions as it does answers. These questions are brutal, not for the faint of heart or the incurious of mind.

Joel Achenbach is on the staff of The Washington Post.

US YOU Call to order this book... ...or 350,000 other titles, air-shipped to you from the U.S.
Ask for our free catalog of best-sellers
T: 33 (0) 1 39 07 01 01 Fx: 33 (0) 1 39 07 00 77

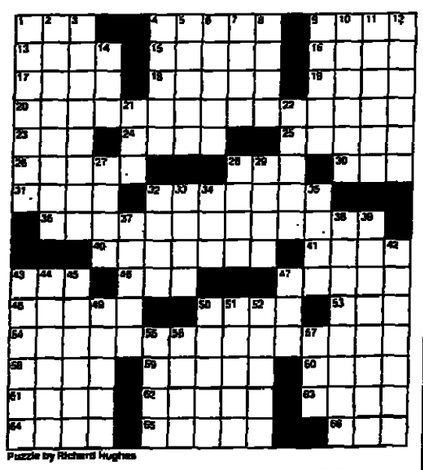
CROSSWORD

ACROSS

1 Sports Illustrated's 1974 Sportsman of the Year
4 Sleep
9 English poet laureate Nahum ——
13 TV host who does "Headlines"
15 Vietnam's capital
16 Roman Eros
17 Like an inveterate procrastinator
18 Put together
19 Negro of the silent screen
20 Start of a Jonathan Swift quote
23 Col.'s boss
24 *Sheriff Taylor's* son, in 60's TV
25 Tit for tat?
26 "The Kiss" sculptor
28 Half of CXII
30 —— Angeles
31 Political losers
32 Select
35 Part 2 of the quote
40 Mother-of-pearl source
41 In a bit
43 Mrs. Nixon
46 J.F.K. regular
47 Played out
48 Lyric poem
50 Largest of seven
53 Bird call
54 End of the quote
58 Surveyor's map
59 Do ——
60 ——-dieu
61 Konrad Adenauer, Der ——
62 Orchestra section
63 Architectural pier
64 "Gentlemen Prefer Blondes" author
65 "Haystacks" painter
66 Word part: Abbr.

DOWN

1 Lively bit of music
2 Omri
3 Plan on it
4 Early rocket traveler
5 Veranda
6 *Mindless*
7 Drop out, in poker
8 Put away, in a way
9 Tropical animal
10 Without scruples
11 Mid-American Conference *team*
12 Rubs out
14 Poet's contraction
21 Partner for hither
22 Iodine reaction
27 Mallorca, e.g.
28 Symbol of craziness
29 Hollywood cross street
32 Rock video prizes
33 Hide
34 Arafat's org.
35 Skier's aid
37 "Little Eyolf" playwright
38 Beasts on the royal arms of Scotland
39 Wholeness
42 F.D.R. accomplishment
43 One involved in foreign exchange?
44 Lover of Daphne
45 Campbell's choice
47 Bill
49 Times to remember?
50 "The Age of Anxiety" poet
51 Playground fixture
52 Phrase of explanation
55 Contemptible person
56 Chocolate snack
57 Govt. watchdog group



Puzzle by Richard Hughes

©New York Times/Edited by Will Shortz

Solution to Puzzle of July 1

C	L	A	N		H	A	D	J		S	L	A	K	E
O	U	S	E		A	R	I	A		H	I	T	I	T
C	A	S	H	M	E	R	E	S	W	E	A	T	E	R
O	U	T	R	E			S	P	H	E	R	U	L	E
A	S	S	U	R	E	S		E	O	N				
					S	U	P	R	A		T	M	A	N
E	M	B	A	T	T	L	E			Q	U	I	T	E
C	H	E	C	K	O	U	T	C	O	U	N	T	E	R
R	O	D	E	O			R	E	P	E	A	T	E	O
U	S	E	D		C	H	I	D	E					
			W	O	O		E	N	I	G	M	A	S	
A	P	P	O	I	N	T	S			D	R	A	M	A
C	H	A	R	G	E	D	A	F	F	A	I	R	E	S
D	I	T	C	H		O	A	H	U		D	A	B	S
C	L	E	A	T		G	R	A	M		S	T	A	Y

BEST SELLERS

New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Week	Weeks on List
1	PLUM ISLAND, by Nelson DeMille	1	4
2	THE PARTNER, by John Grisham	2	16
3	THE PRESIDENT'S DAUGHTER, by Jack Higgins	7	4
4	OH, THE PLACES YOU'LL GO! by Dr. Seuss	3	159
5	UP ISLAND, by Anne Rivers Siddons	5	3
6	END OF THE DRIVE, by Louis L'Amour	11	4
7	PRETEND YOU DON'T SEE HER, by Mary Higgins Clark	4	10
8	LONDON, by Edward Rutherfurd	6	4
9	FAT TUESDAY, by Sandra Brown		1
10	THE TENTH JUSTICE, by Brad Meltzer	8	5
11	SNOW IN AUGUST, by Pete Hamill	13	6
12	MASON & DIXON, by Thomas Pynchon	9	7
13	THE NOTEBOOK, by Nicholas Sparks	10	36
14	LOS ALAMOS, by Joseph Kanon		1
15	SECRECY, by Belva Plain		1

NONFICTION

1	JUST AS I AM, by Billy Graham	3	7
2	INTO THIN AIR, by Jon Krakauer	1	8
3	INTO THE STORM, by Tom Clancy with Fred Franks Jr.	5	4
4	ANGELA'S ASHES, by Frank McCourt	2	41
5	THE BIBLE CODE, by Michael Drosnin	14	2
6	BRAIN DROPPINGS, by George Carlin	9	4
7	THE DILBERT FUTURE, by Scott Adams	7	5
8	WITHOUT A DOUBT, by Marcia Clark with Teresa Carpenter	4	6
9	UNDERBOSS, by Peter Maas	8	9
10	MIDNIGHT IN THE GARDEN OF GOOD AND EVIL, by John Berendt	6	154
11	TWO GUYS FOUR CORNERS, by Don Imus and Fred Imus	13	2
12	CONVERSATIONS WITH GOD: Book 1, by Neale Donald Walsch	10	28
13	THE MILLIONAIRE NEXT DOOR, by Thomas J. Stanley and William D. Danko	12	23
14	THE ONLY WAY I KNOW, by Cal Ripken Jr. and Mike Bryan		2
15	THE PERFECT STORM, by Sebastian Junger	15	3

ADVICE, HOW-TO AND MISCELLANEOUS

1	EIGHT WEEKS TO OPTIMUM HEALTH, by Andrew Weil	2	15
2	TRAINING A TIGER, by Earl Woods with Pete McDaniel		4
3	KIDS ARE FUNNY, from "The Rosie O'Donnell Show"	1	10
4	SIMPLE ABUNDANCE, by Sarah Ban Breathnach	3	64

A two-month trial subscription.

Save up

By maintaining a far-flung network of news-gathering resources, the World's Daily Newspaper brings you unrivalled coverage of world politics, business and economics, as well as science, technology, travel, fashion, the arts and sport — all from an international perspective.

Take advantage of this limited opportunity to try the International Herald Tribune with a low cost, 2-month trial subscription and enjoy delivery to your home or office every morning.

COUNTRY/CURRENCY		2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,456	650	55%
BELGIUM	BEF	9,380	1,350	60%
DENMARK	DKK	780	360	54%
FINLAND	FIM	624	310	50%
FRANCE	FF	520	210	60%
GERMANY*	DEM	182	72	60%
GREAT BRITAIN	£	47	22	53%
GREECE	DR	18,200	9,100	50%
IRELAND	IRE	52	26	50%
ITALY	ITL	145,600	58,000	60%
LUXEMBOURG	LFR	3,3800	1,350	60%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
PORTUGAL	ESC	11,960	5,000	58%
SPAIN	PTAS	11,700	5,000	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	166	66	60%
ELSEWHERE	$	—	50	—

* For information concerning hand delivery in major German cities call toll free IHT Germany at: 0130-84 85 85 or fax: (069) 9712 6311

Yes, I would like to start receiving the International Herald Tribune
☐ My check is enclosed (payable to the IHT)
Charge my: ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
Credit card charges will be made in French Francs at current rates
Card No: ____ Exp. Date: ____
Signature: ____
For business orders, indicate your VAT No: ____
(IHT VAT Number FR 47 32 02 11 26)
Mr/Mrs/Ms Family Name: ____
First Name: ____ Job Title: ____
Mailing Address: ____
City/Code: ____
Country: ____
Home Tel No: ____ Business Tel No: ____
E-Mail Address: ____
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 2-7-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
181 Ave. C de Gaulle 92521 Neuilly Cedex France. Fax: +33 1 41 43 92 10
OR CALL +33 1 41 43 93 61
In Asia: +852 29 22 11 88. In the US (toll-free): 1-800-882-2884
E-Mail No: subs@iht.com
Offer valid for new subscribers only. HA3M

The Finance Merchants Group

Offshore Commercial Banks
Bahamas. Tel: (242) 394-7080
Fax: (242) 394-7082

THE INTERMARKET

☎ +44 171 420 03-18

INTERNATIONAL FRANCHISES

Come and Meet the World's Leading Franchisors...

...in this Quality National and International Event!

The American Franchise Exhibition

Long Beach
Convention Center
Long Beach, California

September 12-14, 1997

www.afexpo.com

- **Top Tier Exhibitors for International Expansion. Including:**
  - **Holiday Inn ■ AFC ■ 7-Eleven ■ Thrifty Car Rental ■ Jani King ■ Subway ■ Golden Corral ■ TCBY ■ Precision Tune**
- **Investment Opportunities $10,000-$10 million**
- **Special International Programs Available**

Sponsored by:
USA TODAY, FRANCORP, FRANDATA, JENKENS & GILCHRIST
Official Travel Companies:
AMERICA WEST AIRLINES, SOUTHWEST AIRLINES, THRIFTY CAR RENTAL

For more information or to exhibit phone: (407) 699-1400
Fax: (407) 695-0963 or e-mail: cilusa@worldnet.att.net

For visitor reservations call toll free in U.S.: 1-888-999-4531
Outside the U.S. call: (415) 252-1107 or Fax: (415) 252-1483

BUSINESS OPPS

- Amsterdam (The Netherlands) 1997 -

PRE-ANNOUNCEMENT
of a

HUGE LIQUIDATION SALE

by order of mr. A.A.M. DETERINK (BANNING, VAN KEMENADE & HOLLAND) at EINDHOVEN; mr. B.F.M. KNÜPPE (VAN ANKEN KNÜPPE DAMSTRA) at ROTTERDAM; mr. A.L. LEUFTINK (VAN BENTHEM & KEULEN) at UTRECHT and mr. Graaf R.J. SCHIMMELPENNINCK (BOEKEL DE NERÉE) at AMSTERDAM,

TRUSTEES in the BANKRUPTCIES of

NV Kon. Nederlandse Vliegtuigenfabriek Fokker
Fokker Administration B.V.
Fokker Aircraft B.V.

3 LOCATIONS (all in The Netherlands)

FOR SALE BY PRIVATE TREATY :

5 "FOKKER" prototype aircrafts, types F27, Fo 50, Fo 70 and Fo 100, equipped with flight test equipment; complete production lines, for Fo 50, Fo 70 and Fo 100 aircrafts; ground testing equipment; flight test control stations; fire equipment; aircraft towing vehicles; tanktrailers; engine run-up station; surface treatment plant; 18 travelling (aircraft) telescopic spraying platforms; cnc skin polishing robot, 4 heads (1990); aircraft weighing equipment; jacking equipment, 5-25 t; hydr. testing equipment; mobile pressurisation and blower units; tow bars; 150 aircraft stairs; mobile platforms and sky workers; flight simulator "Mc.D.D."; mock-ups;

HUGE AUTOM. STORAGE AND ORDER PICKING SYSTEMS; PATERNOSTER SYSTEMS; CASSETTE WAREHOUSE STORING SYSTEMS.

FOR FURTHER INFORMATION
concerning the private treaty sale, please contact on site

NEDERLANDS TAXATIE- EN ADVIESBUREAU B.V.
Mr. H. Breuker
☎ **+31 - (0)20 - 60 52 258**
fax: +31 - (0)20 - 60 52 220

FOR SALE BY AUCTION :

Universal cnc metalworking machinery: boring, milling, turning, drilling and riveting machines; woodworking machines; 20 fork-lift trucks, up to 4 ton; furnaces; welding equipment; portable office units; portable cabins; complete laboratory equipment, with electronic microscopes, tensile strength testers; audio and video equipment; overhead travelling cranes, etc..

FOR FURTHER INFORMATION
concerning the auction sale, please contact

TROOSTWIJK
TROOSTWIJK VEILINGEN B.V.
specialist valuers & auctioneers, machinery, international real estate
Anderlechtlaan 181, 1066 HM AMSTERDAM
The Netherlands
☎ **+31 - (0)20 - 66 66 666**
fax: +31 - (0)20 - 66 66 663

JUST PUBLISHED
International Herald Tribune's
International Franchise Guide
INTERNATIONAL MASTER FRANCHISE & AREA DEVELOPMENT OPPORTUNITIES
The definitive guide devoted solely to international franchising. Detailed, up-to-date profiles on the world's leading international franchisors. 176 pages. US$34.95 (includes shipping)
Send to IHT Guide, P.O. Box 12488, Oakland, CA 94604. Cash, Money Order, Visa or M/C (send Acct. #, Expir. Date & Approval Signature).
Tel: (510) 839-5471 or Fax: (510) 547-3245
E-Mail: sourcebook@earthlink.net Website:www.franchiseintl.com
Herald Tribune

BUSINESS OPPS

NeWorld 3000

Europe's biggest mobile flight simulator (30 seats by Flight Avionics/Ferretti) will be available from October. The machine is rented out to the Oceonographic Museum in Monaco until that time. The simulator plus trailor will be offered for sale, but we can also offer the simulator as main machine and the trailor separately. Furthermore there will be an opportunity to rent (e.g. to showmen or supermarket chains for marketing purposes, for trade fairs and for institutional shows, e.g. military, etc.)

A serious and experienced operator is also welcome as a joint-venture partner.

Please contact: Virtual Entertainments AG, Dr. Kreuzhof, Tel.: +43-6232-50 46 or Fax: +43-6232-50 47

Swiss company sells international patents for
INNOVATIVE CINEMA SYSTEM
Single 70mm dual lens camera and projection system. 180° projection on dome-type, spherical screen for
VIRTUAL REALITY RIDES
Pay back period of typical installations: 8 - 9 months
ZWAHLEN M&A Zurich, ++41-1-383-4073 (Tel) or 382-0430 (Fax)

ACTIVE
RECYCLING AND REFUSE DISPOSAL COMPANY seeks investors and/or partners for the first eight plants in Spain on the Costa Blanca between Valencia and Alicante.
Possibility of a seat on the supervisory board.
Interested parties are invited to contact the Swiss management office:
BASURA-RECICLAJE ESPANA S.A.,
World Trade Center,
CH-6982 LUGANO/AGNO
Fax +41 91 610 29 73

Discount perfumes
is our business
Original French Products
100 ml luxury bottles only DM 5,95
We are looking for distributors worldwide
Entrup & Co., D-59379 Selm
Fax: +49-2592-97 97 31
Tel: +49-2592-97 97 30

MESSENGER SERVICE COMPANY
For Sale in New York City
Great Manhattan Location - Midtown East 20's
Excellent Lease - long term possibility
300 Corporate Accounts and growing
One Golden Opportunity
Tel. (212) 222-7340 - Fax. (212) 752-6225

ARE YOU LOOKING FOR PROSPEROUS BUSINESS IN EASTERN & CENTRAL EUROPE?
Prague-based professionals offer:
Market research, investment advisory, communications and public relations, translations, etc.
Tel / Fax: ++420 2377778
E-mail: jmajor@bbs.infima.cz

HAVE YOU AN IDEA OR INVENTION?
DEPT MT29
...then America's leading product development company is interested
INTERNATIONAL PRODUCT DESIGN
1 Harley Street, London W1N 1DA
+44 (0)171•436•1127
FREE INFORMATION PACK

WORLD TRENDS:
If you want the very best insider conventional intelligence.
Contact:
THE SPECIAL OFFICE
UK Fax: 01608 650 540
No propaganda, no charge but you would learn the facts

For Sale:
Casino concession in the Caribbean.
For more information:
R.P. Consultants
Fax: + 31 (0) 20 6330394 in The Netherlands

We sell the following brands of writing instruments:
Cartier, Mont Blanc, Pelikan, Waterman, Parker, Ysl, Caran D'Ache, DuPont and many others.
International supplies:
Fax: + 31 (0) 20 6330394 in The Netherlands

EMPIRE STATE BUILDING ADDRESS
Gain instant credibility. Establish a NY presence in the world's best-known building. Mail received, phone answering, conference room, furnished mini-offices.
EMPIRE STATE OFFICE SERVICES
TEL: 212-736-8072 • FAX: 212-594-1135

IBC SEEKS ACTIVE PARTNERS
for creation of highly profitable projects, opening IBC centers in USA, ASIA, AFRICA & EUROPE
All new concepts & exceptional products.
Tel: PARIS +33 (0)1 41 05 07 06
Fax: PARIS +33 (0)1 47 58 55 17

OFFSHORE BANK
with correspondent relationship.
Class A commercial license.
Immediate delivery. US $60,000.
NASSAU, BAHAMAS
Tel: (342) 394-7080 Fax: (342) 394-7082
AGENTS WANTED WORLDWIDE

INCORPORATE
SINCE 1899 IN THE U.S.A.
Protect Your Personal Assets
- Incorporate in any state including Delaware, Nevada & Wyoming
- LLC's (Limited Liability Companies)
- In as little as 48 hours

Corporate Agents, Inc.
Fax (302) 998-7078
CompuServe, GO INC
http://www.corporate.com
302-998-0598

LIECHTENSTEIN & WORLDWIDE OFFSHORE COMPANIES
- COMPANY FORMATION - READY MADE
- MANAGEMENT AND ACCOUNTANCY
- INTERNATIONAL TAX, LEGAL AND TRUST SERVICES
- BANK INTRODUCTIONS
- ASSET PROTECTION
- TRADE SUPPORT
- TELEPHONE AND MAIL FORWARDING

Free Brochure available in English German and Russian
Intercompany Management
P.O. Box 4431
6304 ZUG - Switzerland
Fax ++41 - 41 - 7106084
e-mail to@intercompany.ch
http://www.intercompany.ch

TELECOMMUNICATIONS

LOWEST INT'L PHONE RATES!
Savings Up To 79% • No Signup or Monthly Fees
Any Phone, Fax or Cellular • Call for All Our New Rates
24 Hr. Personal Service • No Confusing Bills

Check Out Our Rates To U.S.A. From:

France	.32¢	Singapore	.34¢
Germany	.33¢	Philippines	.76¢
Switzerland	.36¢	Indonesia	$1.03
UK	.25¢	Thailand	$1.02
Hong Kong	.44¢	Taiwan	.66¢
Italy	.45¢		
Netherlands	.39¢		
Japan	.37¢		
Canada	.25¢		
Spain	.60¢		
Belgium	.55¢		
Austria	.50¢		

It's Simple & Easy! CALL NOW! FCC Federal Communications Commission APPROVED
KALLMART
PRICE - QUALITY - SERVICE
Visit our Web Site
HTTP://IYPN.com / KallMart
476 Hwy. A1A, Satellite Beach FL 32952 USA
E-mail: 76726.1743@compuserve.com
Tel: 1-407-777-4222
Fax: 1-407-777-6411 Lines Open 24 Hrs.
25% Commission! Agents Welcome!
Enter Ext. 112 (Winston Haynes) when you call

Save 85% On International Calls With The Original!

kallback®

- AT&T Fiber Optic Networks
- 24-Hour Customer Service
- ITU/FCC Approved
- Itemized 6 Second Billing
- Ideal for Home, Office, Hotels and Cell Phones

NO Deposit! NO Minimum!

"Callers get dependable, high-quality service" *The International Herald Tribune*

Agent/Reseller Inquiries Welcome
Call Herb at 1-206-216-2288

Tel: 1.206.599.1991 • Fax: 1.206.599.1981
417 Second Avenue West • Seattle, WA 98119 USA
www.kallback.com • Email: info@kallback.com

SERVICED OFFICES DIRECTORY

Your Top-Class Office
Berlin · Dresden · Düsseldorf · Frankfurt · Hamburg
Hanover · Cologne · Munich · Nuremberg · Stuttgart
Budapest · Luxemburg · Prague · Los Angeles · New York
Furnished office spaces available immediately
Business address · Modern technology
A strong secretarial team at your disposal
Pedus Office in Europe and USA
P. Dussmann GmbH & Co. KG
Europe-Center 13. OG · D-10789 Berlin
Tel. +49 30/25493-0 · Fax 25493-299
pedus office

Serviced Offices

YOUR OFFICE IN PARIS
is ready when you need it, even for a couple of hours.
* Fully functional modern offices and conference rooms to rent by the hour, day, month etc....
* Your tactical or permanent base
* Prestige mailing address All services
B B E
91, Fg St-Honore 75008 Paris
Tel +33 (0)144713636. Fax (0)1 42661560

YOUR OFFICE IN DUESSELDORF. Prestigious address, multilingual staff. Please fax +49 - 211 - 470 75 55

TAX FREE HAVEN
in the heart of Nassau
Prestigious Office Space Available
Secretarial Services, Private Phone & Fax, Conference Room
Full/Part-Time Office Rental
Tel 1-242-356-0444 Fax 1-242-326-3555

Attention Business Travellers
I.H.T. SERVICED OFFICES DIRECTORY EUROPE
is published first Wednesday of each month
KEEP YOUR COPY FOR FUTURE NEEDS !

FINANCIAL SERVICES

AML
The Mark of Service
ATELEIA MANAGEMENT LTD
(International Corporate & Trust)
Contact:
Tony Gould / Alain Albert
Tel/Fax:
+ 44 (0) 1624 616007 / 616006
E-mail:ateleia@enterprise.net

READERS ARE ADVISED *that the International Herald Tribune cannot be held responsible for loss or damages incurred as a result of transactions stemming from advertisements which appear in our paper. It is therefore recommended that readers make appropriate inquiries before sending any money or entering into any binding commitments.*

Import/Export

NOAMEX INC.
LARGE GRADER OF USED CLOTHING
For women - men - children
PREMIUM & DOMESTIC QUALITY
DENIM JEANS & DENIM JACKETS
Export big bales, small bales, boxes.
AFRICA, ASIA, EUROPE, MID-EAST, CENTRAL & SOUTH AMERICA.
Tel:718-342-2278 Fax:718-342-2258 US

BUYING OUTLET FOR THE LARGEST Trading Companies Branded & Luxury goods. Fragrances/cosmetics, watches, pens, chinaware, crystal, handbags, optical frames, sunglasses, fine cigars, Gucci, Tag Heuer, Cartier, Wedgewood, Swarovski, Herend, Ferragamo, Prada, Hermes, etc. Please call/fax: TRADING DESK Tel: USA +1-212-807-0973 Fax: USA +1-212-807-9058. All calls treated with utmost confidence.

WE ARE DEALING IN
COMMODITIES
LONDON FAX +44 (0)181 392 2125
PARIS FAX +33 (0)1 64 94 59 24

$ USA INT'L. TRADE CENTER $
Vintage & new store returns. Levi's $6.00; Tops & T's Russell, Adidas, etc. $1.25; Cannon towels $ 70 used clothes $ 40 lb, recycled plastics & clothes $ 15 lb. Tel: 908-355-2000; Fax: 355-4004 US

METALLURGICAL **COKE** from China and/or any other project for China. LONDON FAX +44 (0)181 392 2125 PARIS FAX +33 (0)1 64 94 59 24

FRENCH WINES: Quality French wines on offer at outstanding prices (Brand red/white from $1.15/bottle, Sparklings from $1.50) in 20 ft. container For quotes PTM France +33 (0)1 4640 0693

GENERIC CIGARETTES, American blend tobacco lowest prices, private labeling available FAX USA 1 (954) 474-3866

COMMERCIAL REAL ESTATE

50 Room Mansion on a 6000 m2 perch of land, large indoor pool, Sauna, Steambath, 1 caretaker house. Prime and very quite, secluded location in the Austrian Alps (100 km from Salzburg, 60 km from Italian boarder).
Most ideal for private organisations as training or headquarters or to be used as hotel.To airport 45 minutes. To Golf course 5 minutes.
US$ 4 mio.
Pls call ++43-663-841291.

COMMERCIAL & INVESTMENT PROPERTIES

Sales

SWISS ALPS, HISTORICAL BUILDING FACING MATTERHORN. Exceptionally sunny healthy climate, ski resort, suitable for hotel, health center, apartment house. Six stories, 2,700 sq.m., 55 rooms, 3 apartments (3 restaurants, 2 bars, boutique) in private park with Anglican church. VERY INTERESTING PRICE Tel/Fax +41 22 7333311

PARIS MADELEINE / OPERA, 60 sq.m. high class office, 3 rooms + parking. Tel: +33 (0)1 4326 4069, answering machine.

REAL ESTATE COMPANY
FOR SALE IN AUSTRIA
Property with central location in Vienna, mechanical workshop in operation
empty office space
* Comfortable annual lease income
* Potential rental income
* Major development potential (Residential/commercial/offices)
Box 311 I.H.T. 92521 NEUILLY CEDEX

CAPITAL WANTED

WANT 10 million USD
one year fully bank secured
highest interest paid
[redacted]

WONDER-BRA- Major source of quality high-profit lingerie & fashion underwear for international markets. Fax Mr. Jordan J.C.I. Corp. (New York) 212-541-5832

CUBAN CIGARS IN STOCK. LONDON'S FINEST CIGAR MERCHANTS. Tel 44 (0)171 9292242 Fax 44 (0)171 9292232

DOMINICAN CIGARS, 9 styles, hand rolled, volume purchases only. Telefax: USA+954-474-3866

LEVI 501'S. Used and New. Quality jeans direct from the USA. Honest and Reliable. Fax: 503-628-0749 USA

SMALL ARMS AMMUNITION/MILITARY equipment and supplies, lowest prices, volume only; FAX USA +954-474-3866.

USED LEVI 501 JEANS - All colors & grades. For price list FAX: 801-561-3849 USA. RECYCLEWEAR.

Business Opportunities

OFFSHORE BANKS
COMPANIES & TRUSTS
IMMIGRATION/PASSPORTS
Banking-Accounting-Secretarial
Vat Registration-Invoicing
Mail-Phone-Fax Services Worldwide

Aston Corporate Trustees
19 Peel Road, Douglas, Isle of Man
Tel: +44 (0) 1624 626591
Fax: +44 (0) 1624 625128
London
Tel: +44 (0) 171 233 1302
Fax: +44 (0) 171 233 1519
E Mail: aston@enterprise.net

PRIVATE PLACEMENTS
Security company can provide private placements and credit facilities for qualified companies. Participate in our worldwide growth as a representative in your area. Attractive fee structure. Call:
FIRST DUTCH SECURITIES
Tel 1-242-322-8000 Fax 1-242-322-8051

OFFSHORE BANK FOR SALE
Incorporated & Licensed 1996. No liabilities, excellent name, established relationships, up-to-date. Ready for immediate acquisition US $30K For further info. please contact Gary A. Ferraro, Tel. (561)391-4308 Fax (561) 447-8244 USA

YOUR OWN COMPANY IN SWITZERLAND
ZURICH·ZUG·LUZERN
CONFIDESA
Baarerstrasse 36, CH-6300 ZUG
Tl +41 41 711 3288 Fx +41 41 7101049

High level LADIES & GENTLEMEN wanted worldwide
Freelance Agents/Representatives
CD-C, POB 224, CH-8056 Zurich
Fax: +41 1 371 71 08
e-mail 101613 @compuserve.com

U. S. CORP SEEKS one regional importer / distributor for Southern Europe and one for Northern Europe, to develop accounts with major department stores already contacted by us Capital of minimum US$ 50,000 is needed, but profits very substantial. For information please fax +31 70 355 4967 NL

SWISS KNOW HOW COMPANY seeks agents worldwide More than 30 marketing opportunities (Health & Beauty / Household & Car Appliances) available For application contact: Inter Proma AG, FL-9490 Vaduz. Tel: 0041-75-232 7172. Fax 0041-75-233 1667, e-mail: inter-proma-ag@tle-net.li

AVOID TAX. LIVE OFFSHORE. Use Offshore companies and trusts. Have your mail sent offshore - confidentially The Offshore Citizen Newsletter tells it all 6 times yearly. Tel +44 1481 66297 Fax 66398. Email ofict@ofict.com Web site http://www.ofict.com

INTRODUCERS with contacts in South America, Africa, India, Pakistan and Eastern Europe we will provide foreign exchange, futures and options products High remuneration an ongoing basis possible. Tel/Fax: 44 171 286 3329

2nd PASSPORTS / Driving Licences / Degrees/Camouflage Passports/Secret Bank Accounts. Gld, P.O. Box 70302, Athens 16610, Greece Fax 8962152, http://www.global-money.com

INT'L SOCIETY OF FINANCIERS Networking for full-time professionals with projects for funding or funding for projects. FREE Airmailed Report. 704-252-5907 Fax 704-251-5061 USA

APPROXIMATELY 1000 Medical Books Excellent titles Current Publications. Retail value over £20,000 sterling Bargain at £2,500 Tel +44 (0)1375 841455. Fax +44 (0)1375 856318

OFFSHORE COMPANIES. For free brochure or advice Tel London 44 181 741 1234 Fax 44 181 748 6558/8338 www.appleton.co.uk

OFFSHORE BANKING FACILITIES
VARIOUS LOCATIONS
Fax UK 44 (0)1624 661982

Save up to 80% ON ALL International Calls

FREE: Remote Programmable Service, Speed Dialing, and Personalized Voice Prompts
No Start-up Fees • Multi-Lingual Operators Available • Email or Faxing
24 hours/day, 7 days/week • Perfect for Home, Office, Hotel, Fax, or Cellular Phones

SEE OUR INCREDIBLE RATES TO THE U.S.:

U.K.	$0.19	SWITZERLAND	$0.29
FRANCE	$0.30	ITALY	$0.38
GERMANY	$0.24	EGYPT	$1.08

ATTN: CALLBACK AGENTS! CONTACT JEANIE AT 201-928-4385

Call Nancy at: 44.171.360.5037 Fax 44.171.360.5036
e-mail: tribune3@newworldtele.com http://www.newworldtele.com
For quicker reply please mention this number 158
CALL OUR U.S. OFFICE: 201-928-0131 OR FAX 201-928-0320
NEWWORLD TELECOMMUNICATIONS
1407 TEANECK ROAD • SUITE 110 • TEANECK, NEW JERSEY 07666 • USA

UNIQUE opportunity next to Casino of Monte Carlo. Prestigious establishment. Bar, restaurant, jazz club, disco Buy goodwill 377-607933177 / 377-93254812

Franchising

NATIONAL FRANCHISE Consultants seeks int'l. affiliates for expansion of exciting & profitable franchise consulting business. Exclusive marketing rights and territory provided. USA 704-743-1000; Canada 905-832-8404

Business Services

GENEVA
SWITZERLAND
Full Service
is our Business
- International law and taxes
- Mailbox, telephone, telex and telecopier services
- Translation and secretarial services
- formation, domiciliation and administration of Swiss and foreign companies
- Furnished offices and conference rooms for daily or monthly rental

Full confidence and discretion assured
BUSINESS ADVISORY SERVICES S.A.
7 Rue Muzy, 1207 GENEVA
Tel 736 05 40, Tlx 413222, Fax 786 06 42

YOUR OFFICE IN SWITZERLAND. We offer individual telephone answering and secretarial service, representative and corporate domicile
City Telephone & Office Services Ltd.
Bahnhofstasse 44, 7002 Chur/Suisse
Telephone: +41 81 255 3333
Telefax: +41 81 252 3340

YOUR PERSONAL ASSISTANT, first class lady, excellent culture, 6 languages, also for travel. Fax Geneva 41-22/736 3074.

PASSPORTS, NO REPORTS ! Worldwide acceptance Dutch delivery. Phone, Fax: 66 2 862 21 37

A BRIDGE TO CHINA: Consulting, Business Development and Strategic Introductions Please fax attention F.D.G. (852) 2545 0550 .

YOUR OFFICE IN DUBLIN Serviced Offices, Mail, Phone & Fax Offshore Co. Formations Prestigious Address. Tel: +353 (1) 475 1897 Fax: (1) 475 1889

MAILING LISTS by Berger & Company European business and consumer data Tel. 44 1312262996 Fax 44 1312267801

SECOND PASSPORT. Free info email: PASSPORTS@INFOFREE.COM FAX: +32 2 225 0525

YOUR OFFICE IN LONDON Bond Street - Mail, Phone, Fax, Telex Tel: 44 171 290 9000 Fax 171 499 7517

Consultants

CEO, PRESIDENT INT'L MAJOR Corporations Multilingual + 30 years sales/distribution experience worldwide. Looking for consultancy Fax: 1-305-532-2527 USA.

Banking

COMMERCIAL INT'L BANKING LTD
CREDIT
INFO: FAX +30 1 32 43 527

MAJOR BANK ISSUES CREDIT facilities L/Cs SBLC's & Blocked Funds Fax: London 0171-4956938. Phone 4932934

Financial Services

WORLD WIDE FINANCING
*Commercial Mortgages
*Venture Capital
*Stock Loans
*Project Funding
*Letters of Credit
*Accounts Receivable Financing
*Private Placement
*Public Shells

Tel: (212) 758-4242
Fax: (212) 758-1221
Broker's Welcome
375 Park Ave., NY, NY 10152 USA
www.john-barney.com
Refundable Retainer
Sometimes Required

FINANCIAL GUARANTEES
Insurance / Reinsurance backed guarantees for qualified business projects.
Tel. 561-999-3222
Fax: 561-998-3226 USA
northcorp@worldnet.att.net

U.S. DOLLARS AVAILABLE
- Trading Programs/Venture Capital
- Equity Loans/Bridge Loans
- Import/Export Financing
- $2M-$50M Funds Guaranteed By Top Financial Institutions

242-356-0444/356-0355Fax:242-328-3555

THE INTERMARKET

☎ +44 171 420 0348

BUSINESS OPPORTUNITIES

Business Travel

1st/Business Class Frequent Travellers Worldwide. Up to 50% off. No coupons, no restrictions. Imperial Canada Tel. 1-514-341-7227 Fax 1-514-341-7998 e-mail address: imperial@login.net http://www.login.net/imperial

Capital Wanted

LOAN OF US$100 MILLION wanted against prime bank guaranty for ONE YEAR to set-up hydal power plant in INDIA Tel/Fax +33 (0) 4 50 51 23 27 or (0)6 80 718 754

Capital Available

CHRISTON & CO.

International Funding Experts

- Collateral/Guarantee Programs
- Real Estate Projects
- Leisure Projects
- Aircraft/Shipping

BROKERS COMPENSATED

No fees until contract signing

Tel: 602-468-9715

Fax: 602-468-9663

ANGLO AMERICAN GROUP PLC

PROJECT FINANCE
VENTURE CAPITAL
GLOBAL COVERAGE
NO MAXIMUM
BROKERS WELCOME
For Corporate Brochure and information pack
Tel +44 1924 201 365
Fax +44 1924 201 377
You are welcome to visit us.

CAPITAL FUNDING AVAILABLE Minimum $1M USD. Charges no retainer fees, interest 4% & up. Contact Ms Hartlen Fax 604-824-1470 Canada

UNLIMITED CAPITAL
FOR PROJECTS
IN APPROVED COUNTRIES
Funding of Bank Guarantees and Other Financial Instruments
Lines of Credit via Marketable Securities
Min. $10 Million USD, No Max.

ALSO, ASK ABOUT THE SIGNIFICANT CONTRACTED RETURNS AVAILABLE FOR PARTICIPATION IN SLC POOL
Min. $6 Million USD, No Max.

International Funding Services, Inc.
1-904-280-4648 Fax 1-904-280-4647
Web: www.ifs.org
E-Mail: funding@ifs.org

CAPITAL CORP.

M & A
Corporate Financing
Venture Capital
(Worldwide)

Tel: 001-407-248-0360

Fax: 001-407-248-0037 USA

GLOBAL PROJECT FUNDING
VENTURE CAPITAL-JOINT VENTURES
-PROJECT FINANCING

ABS INTERNATIONAL VENTURES

Tel: +44 113 2727 550
Fax: +44 113 2727 560
Fees are not requested prior to an offer of funding being made.

IRREVOCABLE BANK RESPONSIBLE FUNDING
AGAINST SUITABLE GUARANTEE
MINIMUM US$10,000,000
TYPICAL COST 5%
LESS ON LARGER AMOUNTS
NO RISK DELIVERY
FOR MEETING FAX
+44 (0)171 470 7205

COMMERCIAL/BUSINESS FINANCE available for any viable projects worldwide. Fax brief synopsis in English to Corporate Advances. (+)44-1273-621300.

VENTURE CAPITAL AVAILABLE. Kent Warnberg, Humoreskg 4, 42242 Hisings Backa, Sweden

PROJECT FINANCING
Venture Capital - Joint Ventures -
No Maximum - Brokers Protected.

R.J.I. INTERNATIONAL

Tel: 001-242-363-1649

Fax: 001-716-779-8200

FUNDS AVAILABLE
For Investment Programs
Proof of Funds Available
Through Account Holders at
Seven U.S. & European Banks
(212) 758-4242 Fax: (212) 758-1221
www.john-barnby.com
Attorney's & Brokers Invited
375 Park Ave., NY, NY 10152 USA

COMMERCIAL FUNDING AVAILABLE
Business Finance * Venture Capital
Worldwide * Brokers welcome

ETHIC INVESTMENTS LTD
FAX +44 (0)115 942 7845

"IMMEDIATE & UNLIMITED"
Capital available for
ALL business projects!
MIN U.S. $1 mil/no max.
Int'l Business Consulting
(717) 397-7490 (U.S. FAX)
http://www.inbuscon.com (Internet)

COMMERCIAL INT'L BANKING

LOAN
AGAINST GUARANTEE
FAX +30 1 32 49 527

Newly Available to 3rd. Quarter
PROJECT CAPITAL & LOAN FUNDS
Min. USD 2M. Fax full summary to the Fund Managers & Investment Bankers. CCIC FAX. +1-809-886-7056.

Diamonds

ROUGH DIAMONDS. We will pay instant cash for gem quality, African origin, volume only. Fax 954 474-3666 USA

GENERAL

DIVORCE IN 1 DAY. No travel. Write: Box 377, Sudbury, MA 01776 USA. Tel: 508/443-8387. Fax: 508/443-0183.

Friendships

WORLDLY INDUSTRIALIST

Young 66 / 174, smoker, single, widely travelled, now part time author, good looks, manly, elegant, original thinker with genuine presence and charm, living in style on Cote D'Azur seeks smart and unattached multilingual, attractive lady of quality, 35-50, as a travel companion & potential life companion. Svelte, stylish, feminine, 160-170, reliable with outgoing personality, literary, computer & driving skills a plus, to share life's bounty, socializing, art, sailing, haute cuisine, writing and more. Write openly, discretion assured. (Recent picture helpful). Box 313, IHT, 92521 Neuilly Cdx, France

Announcements

BAREME AS 24
AU 2 JUILLET 1997
Prix Hors TVA en devise locale
(traduction disponible sur demande)
Remplace les baremes anterieurs

FRANCE (zone C) en FF/I - TVA 20,6%
GO 3,68 FOD*: 2,21
SC97: 5,34 SCSP: 5,15

UK en /I - TVA 17,5% (taux 8%)
GO 0,5359 FOD*: 0,3476

ALLEMAGNE (zone I) DM/I - TVA 15%
ZONE I - G :
GO: 1,05
ZONE II - I :
GO: 1,04 SCSP: 1,43
ZONE III - F :
GO: 1,01 SCSP: 1,38
ZONE IV - F :
SCSP 1,37
ZONE IV - G :
GO: 1,03 FOD: 0,70

BELGIQUE en FB/I - TVA 21%
GO 21,74 FOD: 10,38
SC97: 32,98 SCSP: 30,91

HOLLANDE (zone2) NLG/I - TVA 17,5%
AU 01/07/97
GO 1,2818 FOD: 0,7864
SC97: 1,9489 SCSP 1,8894

LUXEMBOURG en LUF/I - TVA 15%
GO. 18,96

ESPAGNE (zone A) en PTAS/I-TVA 16%
GO 82,24
SC97: 101,55 SCSP: 102,41

* Usage reglementé

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

SUBSCRIBER CUSTOMER SERVICE: For questions or queries about the delivery of your newspaper, the status of your subscription or about ordering a subscription, please call the following numbers: EUROPE, MIDDLE EAST AND AFRICA: TOLL FREE - Austria 0660 8120 Belgium 0800 17538 France 0800 437437 Germany 0130 848585 Italy 167 780040 Luxembourg 0800 2703 Netherlands 06 0225158 Sweden 020 797039 Switzerland 155 5757 UK 0800 895966 Elsewhere (+33) 1 41439361 THE AMERICAS: USA (toll-free) 1-800-8822884 Elsewhere (+1) 212 7523890 ASIA: Hong Kong 2922 1171 Indonesia 809 1928 Japan (toll-free) 0120 464 027 Korea 3672 0044 Malaysia 221 7055 Philippines 895 4946 Singapore 325 0834 Taiwan 7753456 Thailand 277 4485 Elsewhere (+852) 29221171

VIENNA, AUSTRIA. Tel: 713 - 3374. Are you sad or worried? Lonely or depressed? Are you despairing or suicidal? It helps to talk about it. Phone BEFRIENDERS in total confidence. Mon-Fri. 9.30 am - 1 pm and every day 6.30 pm - 10pm.

Real Estate Services

MA MAISON

YOU OWN A PROPERTY IN FRANCE! Our services cover in your absence: Maintenance, cleaning, gardening, repairs, follow-up of bills, government taxes...etc. PLEASE DO NOT HESITATE TO CONTACT US FOR MORE DETAILS
FAX +33 (0)4 50 95 35 35
Tel: +33 (0)4 50 95 35 35
7 Domaine de Crann F-74160 Bossey

Real Estate for Sale

Monaco

MONTE CARLO
Our agency established in the Principality of Monaco for more than 35 years is offering its experience. We can advise on purchase and rental of apartments, from studios to 7 rooms & offices. We administrate private estates.

INTERMEDIA
Tel: (377) 93 50 66 84 Fax 93 50 45 62

Paris and Suburbs

PARIS 6th, ON SEINE
FBG SAINT GERMAIN
Sublime view, superb 230 sq.m. triple reception - 3/4 bedrooms nice lay-out, balcony, large maid's room
PATRICK RANDI +33 (0)1 45 55 22 00

AVENUE MONTAIGNE
(PARIS 8th) Ideal pied a terre, beautiful 118 sq.m., large balcony, parking. Patrick RANDI (0)1 45 55 22 00

16th, AUTEUIL 450 sq.m. TOWNHOUSE 4 storeys, 13 main rooms, high class fittings, newly fully renovated, 100 sq.m. garden, US$1.7 M. Call owner: +33 (0)1 42 88 13 13 Fax +33 (0)1 42 88 13 33

Real Estate for Rent

Paris Area Furnished

DE CIRCOURT ASSOCIATES

Ideal accommodation: studio-5 bedrooms
Quality and service assured
READY TO MOVE IN
Tel +33(0)1 43129800. Fax (0)1 43129808

AGENCE CHAMPS ELYSEES
Specialists
Furnished apartments, 3 months or more or unfurnished, residential areas.
Tel: +33 (0)1 42 25 32 25
Fax: +33 (0)1 45 63 37 09

CAPITALE * PARTNERS
Handpicked quality apartments, all sizes Paris and suburbs.
Tel: +33 (0)1 42 66 35 60
Fax: +33 (0)1 42 66 35 61
We help you best!

EXCEPTIONAL RUE DU BAC, 140 sq.m. in tree-lined private courtyard. Quiet, 2 bedrooms, dining room, large living, all comforts. Free Aug 15th - end Dec. FF4,500/week. Call +33 (0)1 45 44 76 74

SOUTH OF LATIN QUARTER, 115 sq.m., 3 bedrooms, double living, balcony on garden. Aug. 1st. FF14,500 ($2,800) all inclusive. Tel: +33 (0)1 40 09 74 65.

16th, VICTOR HUGO, 70 sq.m., bedroom, large living, beautiful kitchen, machines. 7 July to end August: FF12,000 or FF1,500/week. Tel +33 (0)1 47844144

MARAIS, 150 sq.m. apartment, modern interior, 3 bedrooms/2 baths, 30 sq.m. kitchen. For 1 yr. +33 (0)1 4029 0575

Paris Area Unfurnished

BETWEEN
SAINT GERMAIN DES PRES
AND LUXEMBOURG
in XVIIth century Townhouse.
Prestigious 95 sq.m. + 60 sq.m. terrace.
LITTRE:
TEL: +33 (0)1 45 44 44 45

Residence Hotels

CLARIDGE CHAMPS ELYSEES
High class rooms & suites
Daily, weekly & monthly rates Paris
Tel+33 (0)1-44133333. Fax(0)1-42250488

Employment

Domestic Positions Wanted

EXPERIENCED COUPLE - French, Portuguese, Spanish & some English. Call Lisbon: 351.1.2244774

General Positions Wanted

PERSONAL ADVISOR: International Business Affairs and Public Relations.
- strategic business planning for private concern/family
- international public image enhancement
- philanthropy planning
Experienced in diversified strategy in emerging and Asian markets; corporate marketing, manufacturing, service sector, image development/management. Experienced global traveller, English, French, some German, Thai. Will relocate to any Western metropolis. E-mail advisor@asia.net; Fax (662) 286-9974

Executives Available

EXECUTIVE with extensive Managerial experience in industry & commerce, international finance & marketing. Fluent in English, Rumanian and Hebrew. Seeks suitable position. Fax 972 9 7655611

HIGHLY EDUCATED BILINGUAL ZEN BUDDHIST, 44, French, well travelled with many years experience in int'l trade, lobbying & business negotiations, seeks challenging & stimulating employment in France or abroad. Available now. Contact Nicolas: Tel. +33 (0)1 45 83 75 11. Fax +33 (0)1 53 82 12 54.

TO PLACE AN AD IN THE Herald Tribune
Contact the Paris office:
Tel.: (33-1) 41 43 93 85
Fax: (33-1) 41 43 93 70
E-mail: classified@iht.com

AUTOMOBILES

Icelandic tax free cars
Alfred Escher Street 70
CH-8027 Zurich
Fax: 01/202 76 30
Tel.: 01/202 75 10
new TAX-FREE used
ALL LEADING MAKES
Same day registration possible, renewable up to 5 years.
We also register cars with (expired) foreign (tax-free) plates.

Automobiles

LIMOUSINES MERCEDES S-CLASS, Rolls-Royce, Lincoln Towncars. Stretched from 12 to 120 inches. Call Talmur at Tri-State Custom Coach 201-512-9301 or Fax 201-512-9344 USA.

Auto Rentals

RENT AUTO DERGI FRANCE: Weekend FF500. 7 days FF1500. Tel Paris +33 (0)1 4388 5555. Fax (0)1 4353 9529.

Auto Shipping

SAVE ON CAR SHIPPING. AMESCO, Kribbestr 2, Antwerp Belgium. To/From US, Africa. Regular Ro-Ro sailing. Free hotel. Tel: 323/231-4239 Fax 232-6353

Autos Tax Free

TRANSCO BELGIUM

20 YEARS WE DELIVER CARS TO THE WORLD

All makes and models
Export Sales - Registration
Shipping - Insurance

Transco, 51 Vossaschijnstr., 2030 Antwerp, Belgium.
Tel: +32 3 542.62.40
Fax: +32 3 542.58.97

25 YRS OCEANWIDE MOTORS
worldwide supply and shipping of AUDI Mercedes, BMW, Porsche. Call Germany +49-211-4493690, fax 49-211-44 939922

ATK WORLDWIDE TAX FREE CARS. Export + shipping + registration of new & used cars. ATK NV, Terminiden 40, 2930 Brasschaat, Belgium. Phone: +32 3 6455002. Fax +32 3 6457109. ATK, since 1959

TAX FREE Europe/US REGISTRATION No Travel by owner & car for plates. Unlimited Fax +41 32 645 27 26 Tel: 27

GENERAL

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

PLANNING TO RUN A CLASSIFIED AD?

Place your Ad quickly and easily, contact your nearest IHT office or representative with your text. You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours. All major Credit Cards Accepted.

EUROPE
FRANCE (HQ): Paris, Tel: (01) 41 43 93 85, Fax: (01) 41 43 93 70, E-mail: Classified@iht.com
GERMANY, AUSTRIA & CENTRAL EUROPE: Frankfurt, Tel. (069) 9712500, Fax: (069) 97125020
BELGIUM & LUXEMBOURG: Brussels, Tel. (02) 344-3509, (02) 344-0117, Fax: (02) 346-0353
GREECE & CYPRUS: Athens, Tel. 301/68 51 525, Fax: 301/68 53 357
FINLAND: Helsinki, Tel. 358 9 608 828, Fax. 358 9 646 506
ITALY: Milano, Tel. 5831738, Fax 583 20938
NETHERLANDS: Amsterdam, Tel 31 20 6841080, Fax 31 20 6881374
NORWAY & SWEDEN & DENMARK: Bergen Norway, Tel (47) 55 913070, Fax. (47) 55 913072
PORTUGAL: Lisbon, Tel. 351-1-457-7293, Fax 351-1-457-7352
SPAIN: Madrid, Tel 4572858, Fax 4586074
SWITZERLAND: Pully, Tel (021) 728 30 21, Fax (021) 728 30 91

EUROPE
UNITED KINGDOM: London, Tel: (0171) 836 4802, Fax: (0171) 240 0338, Tlx: 262009

UNITED STATES
NEW YORK: Tel (212) 752-3890, Fax. (212) 755-8785, Toll free (800) 572-7212

LATIN AMERICA
BOLIVIA: Santa Cruz, Tel (591-3) 33 99 00, Fax: (591-3) 33 99 90
BRAZIL: Sao Paulo, Tel 853 4133, Fax: 852 8485
CHILE: Santiago de Chile, Phone. 632 01 26, 632 79 37, Fax. 632 01 26

MIDDLE EAST
UNITED ARAB EMIRATES: Sharjah, Tel. (06) 351133, Fax (06) 374888, Tlx: 68484 TRINGF

ASIA/PACIFIC
HONG KONG: Tel. (852) 2922-1188, Tlx. 61170 IHTHX, Fax. (852) 2922-1190
SINGAPORE: Tel 223 6478, Fax. 325 0842, Tlx. 28749 IHTSIN

Legal Notices

United States District Court EASTERN DISTRICT OF NEW YORK SUMMONS IN A CIVIL ACTION CV 96-2502 STATEN ISLAND SAVINGS BANK v. KEYSTONE TRADING CORP a/k/a KEYSTONE TRADING, INC., REUVEN'S KOSHERLAND, INC. a/k/a KOSHERLAND, INC., MOSHE ROSENFELD, MOSHE PRAGER, CHAYA PRAGER and SAMUEL PRAGER, TO Moshe Rosenfeld 1445 60th Street Brooklyn, New York 11219 YOU ARE HEREBY SUMMONED and required to file with the Clerk of this Court and serve upon PLANTIFF'S ATTORNEY THE LAW FIRM OF HALL & HALL, 57 BEACH STREET, STATEN ISLAND, NEW YORK 10304 an answer to the complaint which is herewith served upon you, within 80 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint. ROBERT C. HEINEMANN CLERK /Signed BY DEPUTY CLERK May 20, 1996. This action is based on RICO and State law alleging, inter alia, fraudulently inducing the issuance of cashier's checks of $400,000.00.

Legal Services

U.S. IMMIGRATION: Fax your questions to expert Washington D.C. Attorney Luis F. Salgado, (MIT & Georgetown Law) with 15 yrs.+ experience. (202)898-0566

DIVORCE 1-DAY CERTIFIED Call or Fax (714) 968-8695 Write 16787 Beach Blvd. #137, Huntington Beach, CA 92648 U.S.A.- e-mail - wslorm@juno.com

Escorts & Guides

BELGRAVIA
ORCHIDS
LONDON - PARIS

THE FINEST & THE MOST SINCERE
18 - 35+ INTERNATIONAL
BEAUTIFUL & ELEGANT STUDENTS
SECRETARIES, AIR HOSTESSES & MODELS +
AVAILABLE AS YOUR COMPANION
24HRS SERVICE WORLDWIDE
Escort Agency Credit Cards Welcome
TEL: LONDON ++ 44 (0)
0171 589 5237

INTERNATIONAL ESCORTS
World's First & Most Exclusive Service
Models, Beauty Queens, Actresses
Multilingual Travel Companions
Hdqtrs. 212-765-7896 NY, USA
office@intl-escorts.com
Rated "Best in New York" by New York Magazine. Service worldwide

VENUS IN FURS
24HR WORLDWIDE ESCORT SERVICE
LONDON 0171 362 7000
All cards. Advance bookings welcome

ATLANTIC GROUP
ATLANTIC Entertainment
Companions for any occasion
++ 44 (0) 7000 24 28 89
within the USA: 212 785 1919
ATLANTIC Gold
European photo models
++ 44 (0) 7000 24 28 91
within the USA: 212 785 1919
ATLANTIC Royal Platinum
Guaranteed genuine international TOP-MODELS FROM 18 YEARS.
++ 44 (0) 7000 77 04 11/22
within the USA: 212 785 1919
kiss@at-star.com
LONDON PARIS NEW YORK
COTE D'AZUR BENELUX
Escort service Europe and Middle East

SWITZERLAND-GERMANY-BELGIUM
++31-20-427 28 27
Zurich-Geneva-Basel-Berne-Frankfurt-Mainz-Wiesbaden-Cologne-Bonn-Duesseldorf-Munich-Berlin-Brussels-Antwerp + A: Vienna
LONDON: (0)171-978 6606
COSMOS Escort Agency - Credit Cards

* ADORABLE GENEVA ESCORT * Discreet, Warm Escort Service. Call 022 / 321 99 61

ALICE BEAUTIFUL CHARMING Blond, proposes Private Escort Service. London Tel. 0956 659862

AMSTERDAM * DREAMS * ESCORTS and Dinner Date Service for Him or Her. Tel: +31 (0) 20-64 02 666 / 64 02 111

GUYS & DOLLS Escort Service
MILAN*ROME*COTE D'AZUR*PARIS
BRUSSELS*LONDON*LUGANO*SPAIN
GERMANY*SCANDINAVIA*TOKYO ETC
Tel: +39 (0) 335 619 0438 Credit Cards

ARISTOCATS Escort Service
3 Shouldham St. London W1
0171 258 0080

MILAN * ITALY * TOP CLASS
Julia Escort Service 39 (0)3462257767
+ Rome Lugano Paris Riviera Geneva

ELITE Escort Service
NEW YORK CITY
1-800-464-6667

******** EUROCONTACT INT'L ********
Top local & travel service worldwide
PARIS*STOCKHOLM*GENEVA*ZURICH
RIVIERA*BRUSSELS*LONDON*VIENNA
MILAN*ROME*all GERMANY & USA
Escort Service Vienna ++43-1-212 0431

HEIDI'S HIGH SOCIETY*VIENNA*PARIS
COTE D'AZUR*ZURICH*GENF*MUNICH
International Escort & Travel Service
Vienna ++43-1-5354104 all credit cards

CHELSEA ESCORT SERVICE
51 Beauchamp Place, London SW1
Tel: 0171-584 6513

EXECUTIVE CLUB
LONDON ESCORT SERVICE
TEL: 0171 722 5008 Credit Cards

BLACK BEAUTY ESCORT SERVICE
Exclusive Elegant Educated & Friendly
London & Heathrow 01813082261 Cards

YOUNG PREMIER ESCORTS 24 hrs
European Oriental Asian for your delight 0171 396 3040 Credit Cards

K & K TOP MODEL ESCORT
VIENNA*GERMANY*ITALY*FRANCE
SPAIN*ISTANBUL*SWITZERLAND*
Top European Travel Service available
For Info. call Vienna ++43-1-718-73-55

PRESTIGE ESCORT AGENCY Bilingual PARIS & GENEVA Switzerland. Contact directly agency in French Tel 00-41-22-8295794 daily

GENEVA PRETTY WOMAN
Call 022 / 346 00 89 Escort Agency
LAUSANNE-MONTREUX- BASEL
ZURICH - CREDIT CARDS

FRAKFURT
Attractive, tall, experienced Lady Escort Service Tel. (+49) 171-825 92 95

GENEVA * PARIS
BUTTERFLY Escort Service
Tel 022 / 731 90 81

IN SPAIN HARMONY. English spoken Exclusive Escort Service. Madrid Tel +34 1 386 3588 Barcelona 34-3-2968636

INTERNATIONAL YOUNG Entrepreneur Private & Discreet Escort Service London Tel. 0958 569 098

JULIA BEAUTIFUL YOUNG Brunette Friendly and very Shapely. Private Escort Service London Tel 0410 772 816

MONOPOL FRANKFURT
THE LEADING ESCORT SERVICE
OFFICE NUMBER 069 / 955 20 774

NICOLE VERY PRETTY AND SHAPELY Young Blond. Private Escort Service London Tel 0410 789 253

VALENTINES INTERNATIONAL VIP Escort Service photos to view central London office 0171 835 0005 all cards

VIENNA*PRAGUE: KENNEDY'S Escort Service. Friendly, elegant, attractive, cards. Day & night. (++43 1) 5335044

Worldwise coverage
via the World's Daily Newspaper

Comprehensive yet concise, informed yet impartial, the affairs of the world unfold on the pages of the World's Daily Newspaper.

هكذا من الأصل

STAGE/ENTERTAINMENT

TOMORROW: HEALTH & SCIENCE

From Bahia's Slums to Rio Debut, a New Voice in Brazil

By Diana Jean Schemo
New York Times Service

RIO DE JANEIRO — Virginia Rodrigues's journey began in the hillside slums outside Salvador. She was too poor for formal training, but her love for music drew her to choirs at Roman Catholic and Protestant churches. Even so, she never abandoned Candomble, the religion of her ancestors, with its pantheon of deities and powerful percussion music.

When Rodrigues, a 33-year-old mezzo-soprano, took the stage at the Teatro Rival here the other day, performing away from home for the first time, the steps she had taken were all with her.

And the result was otherworldly, mixing the purity of hymnals and a voice reminiscent of a young boy's with the strong, nimble rhythms and instruments of her native soil.

Overnight, Rodrigues has become the new voice in Brazilian music, and at least two American record producers, Joel Boyd of Rykodisc and David Byrne of Talking Heads fame, are competing to release her music in the United States. Caetano Veloso, who is probably Brazil's most popular singer, brought her to Rio for her debut and is helping to advance her career.

Veloso, who watched Rodrigues's debut from the theater's balcony, remembered the first time he heard her sing. She played a maid in a piece about social inequalities called "Bye Bye Pelo," being done by the Olodum Theater Group in Salvador, Bahia's capital.

Throughout the play, she was only a silent presence, but toward the end she sang "Veronica," a Catholic a cappella chant, with which she also opened her show in Rio.

"I heard her singing that, and I cried," Veloso recalled. "I was amazed."

Paula Lavigne, a soap opera star who is married to Veloso, said Rodrigues's style is difficult for non-Bahians to imagine. Her first recording was not available until after the show, so she was entirely unknown to the audience.

"Most people, when you say Bahian music, they say, 'Oh, Axe or Olodum,' " Lavigne said, naming two groups that play heavy percussion rooted in a rediscovery of African drumming. "We say, 'No, she's not like that.' "

Then, Lavigne added, people say, " 'O.K., so she's like Gilberto Gil, that kind of music' " — a much softer sound — "and we say, 'No, she's completely different.' "

For Rodrigues, deluged by kisses, roses and champagne after her debut, the change in her life has been dramatic and unexpected. She had taken the stage nervous and unsmiling, an almost forbidding presence, and continued that way until halfway through the concert.

AFTERWARD, she said she had feared disaster. "These people had no reason to like me," she said. "They had no engagement with me or my music." By the end of the concert, she was dancing a rapid samba, teasing the drummer, and casting flirtatious smiles all around.

"It was a dream I had," she said. "I never imagined I could do it."

Rodrigues was not a total unknown. She had sung a Baroque hymn in a popular Brazilian movie, "Jenipapo," about a priest friendly to the poor who is assassinated after standing by incendiary quotations that a journalist made up and attributed to him. Rodrigues was appearing with the Olodum Theater Group, though she was not earning enough to support herself. She also sang at weddings and local events.

At 12, she had begun working as a manicurist to help her family make ends meet. She also worked as a domestic and a cook. For a time, she studied piano in the afternoons, but could not afford the lessons and had to stop. She began studying lyric singing about three years ago, because she could continue the lessons without losing her job.

Though Rodrigues's family and her teachers quickly recognized her talent, they had no means to pay for lessons or promote her as an artist. She sang at school assemblies and in churches. Strangely enough, it was music that attracted her to the church and that later took her from it. The clerics reproached her after she sang on a television show for amateur singers.

"There was a time in my life that I lost all hope," Rodrigues said in her dressing room as she prepared for her second show. She was putting on her own makeup before slipping into a muted green tent dress with beads around the neck. "Where I come from, there's a lot of good people who need to be seen.

"They love music, they play well, but they have to work at something else, because they never have a chance. All they need is access."

From "Houn-Noukoun (Editions Florent-Massot)

Thomas Dorn's photo of Ali Farka Toure playing in the village of Niafounke in Mali, one of 19 countries Dorn combed for images of music in Africa.

A Wide-Ranging Look at African Music

By Mike Zwerin
International Herald Tribune

PARIS — Thomas Dorn arrived in the village of the master Malian guitarist Ali Farka Toure a day and a half late because of a flat tire and a slow riverboat. It was the middle of the night. "Come on in," Toure smiled. "I woke him up," Dorn says, "but it was O.K. It was more than O.K. It was always more than O.K. That's the way African people are. Generous, like their music."

Dorn visited 19 countries in search of images of sub-Saharan music. He photographed 300 music makers, from stars to heros in the bush. Alone most of the time, he traveled the African way — he walked or took bush taxis, donkeys, jitneys, buses and rowboats.

He slept in beds in unlocked rooms surrounded by poor people he did not know. He was carrying a DAT sound recorder and $10,000 worth of cameras and equipment. Yet not once was he ever assaulted, robbed or even scared. He was never lost or seriously under the weather.

His theory about all of this goes: "You have to work on not being afraid. You can steer people's attitudes by your own attitude. If you show that you are afraid then there might be something to be afraid of. And you are also more likely to be sick if you are afraid of sickness."

Dorn is no hippy. The itineraries for each of his six trips were carefully mapped out in Paris, where he lives. He photocopied them, along with his maps and address books too. He carried them in different bags. He made sure that word preceded him wherever he went. He left with basic information such as "You can stay with my family here" and "The bus from Bamako leaves twice a week."

The book that resulted is a 217-page table-top photographic album called "Houn-Noukoun" (Editions Florent-Massot), which means something like "open your eyes" in the language of southern Benin. The two CDs in the back cover, a kind of bonus, carry a total of two hours and 20 minutes of Dorn-recorded World music. There are short texts in French by Youssou N'Dour, Papa Wemba, Francis Bebey, Ray Lema and others. The book cost 1 million French francs (about $170,000) to produce, one copy costs 450 francs. A German edition will be available later this year and English-language rights are being negotiated.

Born in 1962 in Cologne, Dorn was making a fair living as a photographer's assistant in Paris until clients cut back during the Gulf war. He had already taken photographs in Benin. Now he sorted them out and drew up an outline for a book that would convey a visual translation of African music. He projected six three-month trips. When the German Foreign Ministry agreed to advance him the equivalent of 150,000 French francs, suddenly he was no longer an assistant.

Discovering that Manu Dibango was touring South Africa, he left without delay to meet him there. People he phoned in Paris asked him about all the violence but there wasn't any, or at least he did not encounter any. He photograhs in black and white. He says that color is for shooting wars. Then he went to Mozambique and Zimbabwe and that was the first trip.

He was careful to pay or barter for services. "It is important to be correct with these people," he says. "You are suspect, you are white, you are colonial. When you go in with a tape recorder and a camera they assume that you will be taking something from them for which you will be paid. And they are right.

"Nobody talks about cameras stealing their souls any more, but many musicians have been ripped off. So I made sure everybody got a little something, even if it was only a couple of beers, in exchange for small services rendered. Everybody who was recorded was paid, everybody that helped me received a small salary."

HE paid for beds in friends of friends' houses. He'd participate in the food, he'd pay somebody's brother who was showing him the way to a master musician nobody had ever photographed. He learned the value of each country's money and was careful not to be too generous because that can be dangerous too.

Nigeria was the only place where he smelled danger up close. He was one of the rare white house guests of Fela Anikulapo Kuti in his compound in Lagos. Nigerian tanker truck drivers were on strike when he arrived. Fuel was in short supply, the place was nervous. He had an introduction to Fela's niece who introduced him to her uncle who invited him to stay. Just like that, so easy. "I was very lucky," he explains. One has to stretch the definition of luck to make that stick. Because he was also very careful. Sometimes he'd get an instinct and leave a place a day early. Mostly, though, he just got back the positive vibes he sent out.

Fela is a hero in Nigeria. At least on the streets of Lagos. He has been in jail for political activities as well as drugs. Every Friday and Saturday he performs from midnight to 7 A.M. in his club, The Shrine. "It's a rough place. You have to be careful," says Dorn, putting it mildly. One night in there somebody said to him: "Don't trust anybody in Nigeria. Anybody." Then he waited a dramatic few seconds and finished: "Except Fela."

Dorn photographed and recorded Pygmies in a village in the forest. He had an introduction to a wood prospector known as the "White Pygmy," who lived with his Pygmy wife and daughter there. One of the Pygmies Dorn recorded played on a plastic jerrican as though it were a percussion instrument.

A master Ghanian guitarist took Dorn on a bus trip to a village on the Togo border to meet the aging High Life trumpeter Papa Abokyi, whom he found dressed in a splendid traditional robe.

When he was asked for permission to take his photo, Abokyi went into his house and came out wearing striped trousers, a jacket and two-toned shoes — his old stage clothes. Papa Abokyi looked for all the world like Bunk Johnson playing Preservation Hall in New Orleans. That's one of the ways African music looks.

The Way They Were: Verdi First Versions

By David Stevens
International Herald Tribune

LONDON — The current installment of the Royal Opera's long-range Verdi festival hit a memorable peak with superb performances on successive evenings of two operas that most of those in the audience had never heard — the original versions of "Macbeth" and "Simon Boccanegra."

Both are almost always heard in their revised versions. "Macbeth" was overhauled in 1865 for the Theatre Lyrique in Paris, 18 years after the successful premiere in Florence. "Boccanegra" was redone for La Scala in 1881, almost a quarter-century after its none-too-successful Venice premiere. Another lavish detail of this year's festival is that it offers both versions of "Boccanegra" in different productions.

The only sour note was that "Macbeth" had to be given in concert form when the new production proved to be too complicated to handle in the existing time frame, especially with another new production scheduled 24 hours later, and when the Covent Garden house is preparing to shut down in mid-July for three years of a vast expansion and redevelopment, during which the company will have to find temporary homes.

A late cancellation like this is a major embarrassment for a company of this stature, and Nicholas Payne, the Royal Opera's director, bit the bullet and appeared before the curtain, opening his abject apology, and getting a slightly grim laugh, by saying "Thank you for coming." The house also massaged the public a bit with free-drink vouchers. But the best apology was the quality of the performance, in the circumstances probably one of the best-rehearsed concert opera performances on record.

Verdi was an industrious reviser, especially of those works he held dearest. Two of his operas were so thoroughly overhauled they had different titles and characters when they reappeared. Four others had major changes for later productions, and the minor adjustments are many. The last music he wrote for the stage was the obligatory ballet music for the Paris premiere of "Otello" in 1894.

Indeed all Paris wanted for its staging of "Macbeth" was some ballet music, but Verdi gave them that and a lot more. Edward Downes, who prepared the performing edition and conducted on Friday, reckons that more than a third of the music of 1847 is different from the revision. The most obvious change is Lady Macbeth's vigorous Act 2 cabaletta, later replaced by the aria "La luce langue," while Act 3 was heavily rewritten, as was the final scene.

The singers gave it as much action as they could. As Macbeth began to hit the skids Anthony Michaels-Moore shed his white tie, unbuttoned his collar and threw off his tailcoat. More to the point, he sang with splendid tone and offered much promise in his first Macbeth.

In another role debut, the Hungarian soprano Georgina Lukacs, her long black hair loose, tackled Lady Macbeth head on. She was sometimes a bit strident but sang with total conviction and hit her best form for the taxing sleepwalking scene. Roberto Scandiuzzi was the excellent Banquo and Dennis O'Neill sturdy in Macduff's aria. Downes was the energetic and precise conductor, in the pit with the orchestra, while the chorus, onstage behind the soloists, pretended to be witches as best they could with scores in hand.

Verdi's changes to "Simon Boccanegra" were greater and dramaturgically major ones, done as they were with "Aida" behind him and "Otello" already on his mind, and with Arrigo Boito as his dramatic collaborator. Verdi may have been giving Boito a tryout for their collaborations to come.

Their big innovation was the fabulous council scene, which enhances Simon's stature as a political visionary and gives the whole opera a different contour. On view here, of course, was the scene is replaced, essentially a baritone-tenor encounter between Simon and Gabriele Adorno, given an unstinting account by Sergei Leiferkus in the title part and Placido Domingo. Much other music was new to most ears, beginning with the jaunty prelude.

Leiferkus excelled as the doge of Genoa, somewhat dry of voice, but eloquent of phrase and a noble actor. Domingo, who like the others had to learn a lot of music he had never sung before, was in superbly youthful voice and an artist as always. The soprano Kallen Esperian was an animated Amelia, Jaakko Ryhanen the imposing Fiesco, and Peter Sidholm effective as Paolo, a more primitive villain than in the later version. Mark Elder was the intensely committed conductor.

John Gunter's single set was dominated by a large, curved period engraving of Genoa, although the period of Deirdre Clancy's costumes was strictly 19th-century Risorgimento. Why the entire set was tilted was not clear, but Ian Judge's staging was conventionally sensible.

THE revised versions of both these works will surely remain the norm, benefiting as they do from Verdi's greater dramatic conciseness and powers of musical characterization. The surprising thing is how good the first versions are on their own and how much they gain from stylistic integrity.

"Macbeth" No. 1 was the best thing Verdi had done up to then, but in 1847 his reach was beyond his grasp. "Boccanegra" No. 1 is more a drama of personal conflict than the later political tragedy, and the brisk directness of the music lacks the dark beauty of the revision, although the uncanny sound of the sea was there from the start. Revisiting Verdi's first thoughts was a splendid idea, splendidly done. Let's hope we get the missing "Macbeth" production before the millennium.

Peter Hall Tries Again: Waiting No Longer for User-Friendly 'Godot'

By Sheridan Morley
International Herald Tribune

LONDON — Plays don't change, audiences do. The lesson of Peter Hall's new Old Vic staging of "Waiting for Godot," which he introduced to Britain and last directed in 1955, is that although some of us may still share doubts about the true genius of Samuel Beckett, there is now not a lot of doubt about where his script came from or led to. The tramps eternally awaiting the absent Godot are from Laurel and Hardy, and they lead us to Morecambe and Wise; the Rosencrantz and Guildenstern of Tom Stoppard are their most immediate theatrical descendants, and I guess what Beckett taught the whole world of

LONDON THEATER

dramatists was that an audience could be more intelligent and even more tolerant than had hitherto been suspected.

The difference between 1955 and now is one of confidence on both sides of the footlights; actors play in the knowledge that they are doing a classic, and when the audience laughs it is because they have been empowered by world reaction across four decades to do so.

If Hall's ground-breaking production was, as Beckett thought, rather top-heavy on sets and sentiments, this one makes amends. Alan Howard and Ben Kingsley, back on the London stage for the first time in a decade, form the most dazzling double act anywhere in town as this quintessentially Irish odd couple (could it be that Jack Lemmon and Walter Matthau also derive from there?) with a mix of despair and delight, panache and paranoia, which alone would be worth the price of admission. This is the definitive "Godot," if for no other reason than that Hall has had more than 40 years to think about it and we have had the same period of time just to get used to the idea of a play in which, famously, nothing happens twice.

One of the many great strengths of Hall at the Vic has been his ability to command supporting casts the like of which the Royal Shakespeare Company or Shakespeare's Globe or, indeed, the National would kill for, and sure enough here we get Denis Quilley as Pozzo, going from majesty to madness as a kind of miniature King Lear, and Greg Hicks as Lucky, making up in sheer theatrical energy what his one great speech still lacks in philosophical coherence.

This is the user-friendly "Godot," no longer an impenetrable wasteland but a reasonably straightforward tragicomedy about two vagrants determined to blame on their boots the faults of their feet; all they need now are a couple of cardboard boxes and they can join the real-life community of night people under the arches of Waterloo just a few yards from the stage door of the Vic.

DESPITE considerable success all over America, it has taken Jonathan Tolins's "The Twilight of the Golds" (at the Arts) four years to cross the Atlantic and I can see why; this is a curiously Manhattanesque mix of sitcom and social drama that owes more to such TV hits as "Cheers" or "Friends" than to any more strictly theatrical source, rooted though it is in a passion for Wagner's "Ring" as echoed by the title. The Golds are a high-income couple of affluent achievers who discover that their unborn son is genetically destined to be gay.

To abort or not to abort? The wife's brother, a Wagner-obsessed gay, is understandably indignant that the question should ever arise, and as the whole show is written and voiced from his perspective primarily, it is not surprising that we can soon guess the outcome. Along the way, Tolins drifts down any byway that affords him a good gag or any new little insight into the problems of growing up gay and Jewish in the big city. In the end the play seems unable to decide whether it wants to be Neil Simon or Wendy Wasserstein and therefore misses both targets, though the actress Polly James in her first directing role does get some very good performances from Gina Bellman and Sheila Allen as two of the five characters still in search of an author here.

And finally, the return to the Donmar Warehouse of "The Maids," which, also written in Paris only a few years before "Godot," has taken a half-century or so to find its true focus. Based on a celebrated murder trial, this erotic black Mass, in which two oppressed chambermaids gear themselves up for murder through a series of increasingly creepy power games, has recently often been played by men in drag, something the playwright, Jean Genet, suggested as early as 1947. But for this new production of an agile David Rudkin translation, the director John Crowley has gone back to basics, with Niamh Cusack and Kerry Fox in fine form as the maids of the title and Josette Simon cascading from a great height before joining them in the lower depths as their mistress. This is not a production that tells us anything we did not already know about the play, and even in a brisk, no-intermission 90 minutes, the characters still seem to be playing one or two power games too many. For all that, Genet's fantasy remains a powerful argument against going into domestic service.

ESCADA
in Paris
SALE
on summer
collection
Marie-Martine
8, rue de Sèvres,
Paris 6th
Tel: 01 42 22 18 44

Schiphol TV

NOT JUST FOR
NATIONAL ADVERTISERS...

Departing and transfer passengers watch live news on the hour, sports, fashion, music and film. Near the duty free-shops, in the waiting areas and at all gates. For advertisers a unique opportunity to reach this captive audience.
As experienced by Seagram International.

For information contact: Mr. Arjan Siccama, Lentz & Flens Total Communication.
Phone +31 297 26 4130, Fax +31 297 26 3458.

A unique medium at a unique location.

Herald International Tribune

BUSINESS/FINANCE

هكذا من الأصل

WEDNESDAY, JULY 2, 1997

Reports Indicate Slowing U.S. Growth

Outpouring of Data Comes as Fed Opens Meeting on Interest Rates

Compiled by Our Staff From Dispatches

NEW YORK — The U.S. economy appears to be slowing from its torrid quarter pace, fresh reports indicated Tuesday, as Federal Reserve policymakers met to decide whether to take further action to head off inflation.

Growth in manufacturing slowed in June and construction spending fell, in the worst showing in more than three years, and a gauge of future economic activity rose just slightly more than economists had expected.

In a closely watched report, the National Association of Purchasing Management said its index of business activity fell to 55.7 in June from 57.1 in May, suggesting that a factory production boom might have shifted into a lower gear. Economists had expected a reading of 57.

News of the slackening economy came as markets awaited the results of an interest-rate policy meeting of the Federal Open Market Committee, which started a two-day meeting Tuesday.

Taken together, the reports were seen as a sign of a cooling economy that could forestall an interest rate increase by the Fed. That view pushed bond yields lower and blue-chip stock prices higher. (Page 12)

"This is the perfect economy," said Robert Dederick, an economic consultant at Northern Trust Co. in Chicago, with growth and job creation continuing without any sign of inflation. "Why tinker with the dials?"

The Fed tightened credit in March for the first time in more than two years, increasing its target for the federal funds rate — at which banks lend each other funds overnight — to 5.50 percent from 5.25 percent.

The prices-paid index of the National Association of Purchasing Management fell, while its measure of manufacturing employment rose for the fourth straight month. Order backlogs increased, while supplier deliveries fell.

The monthly report, which is based on a survey of purchasing managers, often influences the financial markets because it provides indications of the economy's direction. A reading above 50 percent suggests an expanding manufacturing economy, while a reading below 50 percent suggests it is shrinking.

Meanwhile, the Conference Board research group said the index of leading economic indicators rose 0.3 percent in May. The rise, to 103.8, slightly exceeded expectations for a 0.2 percent gain, but failed to alarm Wall Street when taken with the other reports.

The May rise in the index followed a drop in April of 0.1 percent.

Over the six months through May, the index increased 1.2 percent, with 10 leading economic indicators advancing.

The Conference Board said six of these 10 indicators rose in May, with the most significant rise in stock prices, average weekly new unemployment claims, vendor performance and consumer expectations.

The most significant negative contributors in May were factory workweek and interest rate spread.

In a separate report, the Commerce Department said construction spending dropped 1.8 percent in May, reflecting widespread weakness in commercial, residential and public construction.

The weakness in construction spending may be just a pause, analysts said, as sales of new and previously owned homes are on the rise. Moreover, the outlook for commercial and government projects remains bright.

"It's a very promising environment," said Douglas Bennett, marketing director of Turner Corp., a large U.S. construction company.

Construction activity totaled a seasonally adjusted annual rate of $585 billion, compared with $595.7 billion in April, the Commerce Department said.

(AP, Bloomberg)

P. Peter Kneffel/Agence France-Presse

Mr. Kohl, left, and Mr. Stoiber smoothed their differences at a conference in Munich on Tuesday.

Germans Resolve Feud Over Euro

By John Schmid
International Herald Tribune

FRANKFURT — One of Chancellor Helmut Kohl's most virulent critics softened his attacks on Mr. Kohl's European policies Tuesday, calming a domestic political battle that had threatened to undermine European monetary union.

"We both are pulling in the same direction," Premier Edmund Stoiber of Bavaria said during a joint appearance with Mr. Kohl in Munich.

Mr. Stoiber, a staunch conservative, suspended his protests against a common European currency, and used the occasion to declare that a stable euro would be a great opportunity for the German and European economies.

The conflict between the two men has reverberated outside Germany, unsettling financial markets and prompting European leaders to warn that the feud threatened Europe's integration efforts.

In recent weeks, Mr. Stoiber has emerged as the self-styled defender of the Deutsche mark, threatening to push for a delay of the planned single currency if countries failed to meet exactly the criteria set out in the Maastricht treaty. Because Mr. Stoiber's Christian Social Union party is a key partner in Mr. Kohl's coalition government, the feud raised fears that it could weaken Mr. Kohl politically and diminish Germany's support for the euro.

Mr. Kohl took the first step to defuse Mr. Stoiber's main grievance early this week by issuing a public assurance that he would not allow the budget criteria to be watered down. Germany, like many other EU members, is struggling to get its deficit to below 3 percent of gross domestic product this year to qualify for monetary union.

On Tuesday, Mr. Stoiber said he was satisfied with the chancellor's "clear-cut position." He said Mr. Kohl had said "with greatest clarity" that the criteria would be met, although the Bavarian cautioned that the German debate over monetary union would continue.

After the two men spoke informally at the conference, Mr. Stoiber denied that any irritations had flared between them. Mr. Kohl said last week that Mr. Stoiber was "going to get a smack on the head."

Mr. Kohl also reiterated Tuesday his opposition to any delay in launching the single currency in January 1999.

"Departing from the timetable will not be the road taken by Germany, and it certainly will not be mine," he said.

Meanwhile, Luxembourg's prime minister, Jean-Claude Juncker, who took over on Tuesday the rotating presidency of the European Union, said the criteria debate had become harmful.

"In other countries," he said, "many people now believe that if German public opinion is putting up with a partial softening of the criteria — they no longer have to make an effort."

In France, however, Laurent Fabius, the Socialist speaker of the National Assembly, rejected sacrificing jobs for the criteria, saying, "We are very much Europeans, not fetishists."

At Quarter's End, Mysterious Markets

By Floyd Norris
New York Times Service

NEW YORK — As the closing bell rang at the New York Stock Exchange Monday, the value of Coca-Cola Co. jumped by $5.6 billion. Just before the bell, Coke traded at $69.75. Then, in the final trade, just a moment later, the price was $67.50.

There was no sudden announcement about a plunge in profits, or a forecast that the summer would be too cold for any soft drinks to be sold. Nevertheless, there was a flood of sale orders that hit the Big Board to be executed at the final price of the day. That final trade was 1.4 million shares.

Coke was not alone in making a big move just as the bell rang. Some others moved up nicely, such as Walt Disney Co., which added $1.375 at the bell, and Procter & Gamble Co., which gained $1.50. In fact, it appears that more stocks rose than fell as a result of such last-second action. The Dow Jones industrial average was 11.66 points higher as a result of all the final trades.

Just what brought on those large orders is open to question. Some, no doubt, were related to the closing of positions in some index options that expire on the last trading day of each month. And gyrations in small-company stocks may have reflected the fact that the Russell 2000 index was adding new members and deleting old ones, forcing those who run mutual funds based on that index to buy and sell stocks.

But some traders, who insisted on anonymity, said they thought that some of the action involved a bit of end-of-quarter performance enhancement. A manager with a big stake in, say, Disney, could put in an order to buy a lot of stock at the close, and see the rising price show up for all the other Disney stock he owns. That could make the quarter look better when performances are compared.

Similarly, a manager whose portfolio had some Coke stock, but less than the amount that would be called for if the manager was trying to match the performance of the Standard & Poor's 500, could sell some of that Coke stock. If the sales drove the price down, that would reduce the performance of the S&P 500 by more than it reduced the performance of that manager. And the net effect would be to improve that manager's relative performance.

It is possible to put in orders to be executed at the close of trading on any

See TILT, Page 12

MEDIA MARKETS

There's Gold in Recycled Photographs

By Claudia H. Deutsch
New York Times Service

NEW YORK — When Anthony Scalise, an 80-year-old first-generation American in Utica, New York, found a 1922 photograph of his father and other immigrants from the Italian city of Scandale, he immediately had prints made for friends with Scandalese roots.

"It was wonderful, all those people with walrus mustaches," Mr. Scalise said. "I'm going to look for more old photos to pass on now, too."

Dr. Richard Selby, a 55-year-old neurosurgeon in Santa Ana, California, got hooked on the past when he found a 25-year-old photo of himself and his mother, taken in his "Elvis sideburns" days. He gave his mom a copy for Mother's Day, and now he may reprint more old shots.

"I try to focus on the current ones, but I have to admit the old photos are interesting," Dr. Selby said.

They are certainly interesting to Eastman Kodak Co., Seiko Epson's Epson America Inc., Hewlett-Packard Co., Xerox Corp. and other companies that have spotted a lucrative, untapped market in the billions of pieces of photographic memorabilia gathering dust in shoe boxes. Their motivation is far from sentimental.

"Working with old photos is like printing money, the margins are so great," said Mitchell Goldstone, the owner of 30 Minute Photo, a photo-processing shop in Irvine, California, that he expects will do $100,000 worth of business this year recycling old photographs.

Nor are the financial benefits confined to immediate sales.

"People who get more use out of old pictures are more likely to take new ones," said Robert LaPerle, a vice president of Kodak.

They are also more likely to pass them on, said Antonio Perez, a vice president of Hewlett-Packard.

"People who start off with old, sentimental photos will soon send new ones speeding along the Internet," he said.

It is no coincidence that old photos are getting all this attention. The advent of cheap scanners, printers, photo-manipulation software and do-it-yourself machines at retail stores — coupled with the pull of nostalgia — has prompted more and more people to restore pictures.

"Consumers can cheaply restore and print a photo that a trained technician used to charge $75 to do," said Willard Clark, executive manager of the Photographic Manufacturers and Distributors Association.

About 13,000 photo-processing and mass-market outlets have Kodak machines that let consumers crop, fix up and reprint old pictures; Kodak plans to have 50,000 installed by 2001.

Copy shops and photo-finishing stores are using copier-printers to replicate old photographs. Xerox has sold numerous printers to funeral homes, which make keepsake booklets of photographs that chronicle a deceased person's life.

Photo-processing technology is also moving into the home.

Epson America recently introduced its Photo Plus Print Studio, which includes a scanner, an ink-jet printer and assorted cables and software packages for about $500.

Hewlett-Packard is marketing Photo Smart, a similar package that at $1,400 can also convert negatives and slides into new photos.

According to the Infotrends Research Group, which tracks the imaging industry, 1.5 million low-cost scanners — most of them under $400 — were sold in North America in 1995. Last year 2.5 million were shipped, Infotrends said, and it projects that 9 million will be sold in 2001.

Kristy Holch, the president of Infotrends, who noted that scanners are still used mainly for documents, said, "People don't buy the scanners just to digitize the attic photo, but that's one of the things they do with them."

The same is true for printers.

Another organization, Lyra Research, says Americans bought $132 million worth of home-sized photo-printers last year. It predicts sales will rise to $245 million this year and near $450 million by 2001. Including sales of document printers that can also print photos, which most new ones do, sales of photo printers are expected to top $4 billion in five years.

"If only a fraction of the printers are used for old photographs," said Steve

See PHOTOS, Page 13

CURRENCY & INTEREST RATES

Cross Rates

July 1

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9825	3.2525	1.1286	0.334	0.1154*	—	5.455*	1.3425	1.7069*	1.421	1.332*
Brussels	34.98	57.995	20.6365	6.1236	2.1209*	18.337	—	24.5675	0.3132	26.11	24.42*
Frankfurt	1.7465	2.9033	—	0.2967	0.1028*	0.8885	4.8469*	1.1933	1.5184*	1.2627	1.1832*
London (a)	1.6625	—	2.8854	9.7229	2,809.712	3.2578	59.5601	2.42	190.3448	2.2889	243.9047
Madrid	147.720	245.338	84.492	25.07	8.686*	75.071	4.0952	100.813	128.341*	106.793	—
Milan	1,697.51	2,824.66	972.79	288.64	—	864.31	47.15	1,160.49	14.746	1,229.55	11.513
New York (b)	—	1.6587a	1.7468	5.886	1,702.00	1.9656	36.03	1.466	114.98	1.3798	147.49
Paris	5.881	9.786	3.3702	—	0.3465*	2.9944	0.1634	4.0112	5.1133*	4.2598	3.9865*
Tokyo	114.89	191.49	65.83	19.54	6.677	58.49	3.1915	78.42	—	83.19	0.7794
Toronto					Closed*						
Zurich	1.4606	2.4214	0.8382	0.2497	0.0861*	0.7448	4.0632*	—	1.2719*	1.0584	0.9922*
ECU	1.1296	0.6788	1.9711	6.6429	1,917.42	2.2084	40.6667	1.652	129.864	1.5595	146.541
SDR	1.3899	0.8343	2.488	8.1132	2,352.73	2.719	49.891	2.0058	157.774	1.9256	202.888

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York rates at 4 P.M. and Toronto rates at 3 P.M.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	274.79	Mex. peso	7.926	S. Afr. rand	4.5245
Australian $	1.328	Hong Kong $	7.7448	N. Zealand $	1.4738	S. Kor. won	887.80
Austrian sch.	12.28	Hung. forint	186.97	Norw. krone	7.319	Swed. krona	7.7401
Brazil real	1.0767	Indian rupee	35.80	Phil. peso	26.37	Taiwan $	27.81
Chinese yuan	8.307	Indo. rupiah	2432.00	Polish zloty	3.29	Thai baht	24.70
Czech koruna	32.38	Irish £	0.661	Port. escudo	176.27	Turkish lira	148045.
Danish krone	6.6361	Israeli shek.	3.5953	Russ ruble	5773.50	UAE dirham	3.671
Egypt. pound	3.3952	Kuwaiti dinar	0.3034	Saudi riyal	3.75	Venez. boliv.	486.75
Fin. markka	5.1993	Malay. ring.	2.524	Sing. $	1.4296		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6624	1.4630	1.6594	Japanese yen	114.44	113.95	113.46
Canadian dollar	1.3775	1.3752	1.3727	Swiss franc	1.4579	1.4528	1.4476
Deutsche mark	1.7416	1.7378	1.7336				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

July 1

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 9/16 - 5 11/16	3 - 3 1/16	1 3/8 - 1 1/2	6 9/16 - 6 11/16	3 3/16 - 3 5/16	1/2 - 5/8	4 1/16 - 4 1/8
3-month	5 11/16 - 5 13/16	3 - 3 1/8	1 7/16 - 1 1/2	6 3/4 - 6 7/8	3 1/4 - 3 3/8	9/16 - 11/16	4 1/8 - 4 3/16
6-month	5 13/16 - 5 15/16	3 1/16 - 3 3/16	1 1/2 - 1 5/8	6 15/16 - 7 1/16	3 5/16 - 3 7/16	5/8 - 3/4	4 1/8 - 4 1/4
1-year	5 7/8 - 6 1/8	3 3/16 - 3 1/4	1 9/16 - 1 11/16	7 1/8 - 7 1/4	3 7/16 - 3 1/2	9/16 - 11/16	4 1/4 - 4 3/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	6 1/2	6 1/2
90-day CDs dealers	5.68	5.68
180-day CP dealers	5.58	5.55
3 month Treasury bill	5.10	5.06
1-year Treasury bill	5.34	5.36
2-year Treasury bill	6.02	6.07
5-year Treasury note	6.32	6.39
7-year Treasury note	6.37	6.44
10-year Treasury note	6.44	6.50
30-year Treasury bond	6.74	6.78
Merrill Lynch 30-day RA	5.05	5.05
Japan		
Discount rate	0.50	0.50
Call money	0.46	0.46
1-month interbank	0.56	0.56
3-month interbank	0.65	0.65
6-month interbank	0.70	0.70
10-year Govt bond	2.60	2.60
Germany		
Lombard rate	4.50	4.50
Call money	3.10	4.50
1-month interbank	3.10	3.10
3-month interbank	3.13	3.13
6-month interbank	3.16	3.15
10-year Bond	5.68	5.72

Britain		
Bank base rate	6 1/2	6 1/2
Call money	6 5/8	6 5/8
1-month interbank	6 9/16	6 5/8
3-month interbank	6 7/8	6 3/4
6-month interbank	7.00	7.00
10-year Gilt	7.03	7.09
France		
Intervention rate	3.10	3.10
Call money	3 5/16	3 5/16
1-month interbank	3 1/4	3 1/4
3-month interbank	3 5/16	3 5/16
6-month interbank	3 3/8	3 3/8
10-year OAT	5.73	5.58

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	333.50	—0.70
London	333.65	333.70	—0.85
New York	334.90	335.10	Unch.

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Aug.)
Source: Reuters.

Global Private Banking

SECURITY IS THE MAIN REASON WHY SO MANY CLIENTS BANK WITH US. AND STAY WITH US.

Headquarters of Republic National Bank of New York (Suisse) S.A. in Geneva.

Many private banking clients split their assets three ways. They keep a part for special opportunities. Another part for longer-term growth. And, very importantly, a part they know is absolutely secure.

At Republic we are well equipped to provide our clients with all three options. But what the bank is best known for, world-wide, is its outstanding security.

We assure security by maintaining some of the strongest capital ratios in the banking industry, a high degree of operating efficiency and a relatively small loan portfolio. Our credit ratings are AA.

Clients sense this security in the quality of our service: personalized, responsive, but meticulously discreet. Which is why they bank with us, and stay with us. Security and service, after all, are the heart and soul of Republic.

World Headquarters of Republic National Bank of New York in New York.

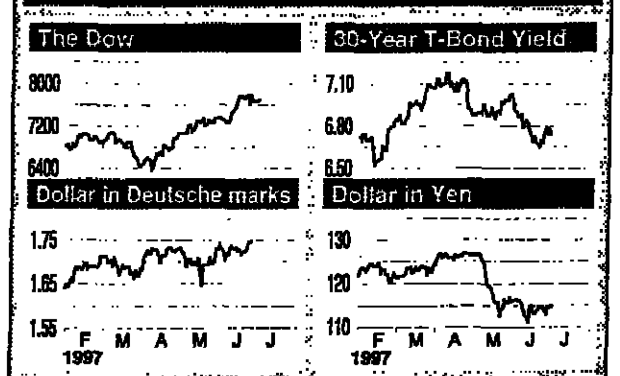
Republic National Bank of New York

Strength. Security. Service.

A Safra Bank · New York · Geneva · London · Beijing · Beirut · Beverly Hills · Buenos Aires · Cayman Islands · Copenhagen · Gibraltar · Guernsey · Hong Kong · Jakarta · Los Angeles · Lugano · Luxembourg · Manila · Mexico City · Miami · Milan · Monte Carlo · Montevideo · Montreal · Moscow · Nassau · Paris · Perth · Punta del Este · Rio de Janeiro · Santiago · Singapore · Sydney · Taipei · Tokyo · Toronto · Zurich

© Republic National Bank of New York, 1996

Investor's America



Exchange	Index	Tuesday @4PM	Prev. Close	% Change
NYSE	The Dow	7722.33	7672.79	+0.65
NYSE	S&P 500	891.03	885.83	+0.59
NYSE	S&P 100	868.37	862.77	+0.65
NYSE	Composite	466.01	462.89	+0.67
U.S.	Nasdaq Composite	1438.25	1442.07	-0.26
AMEX	Market Value	625.55	622.55	+0.48
Toronto	TSE Index	6437.74	6431.00	+0.10
São Paulo	Bovespa	13002.29	12568.06	+3.46
Mexico City	Bolsa	4586.11	4487.16	+1.55
Buenos Aires	Merval	817.17	807.84	+1.15
Santiago	IPSA General	5755.99	5730.51	+0.49
Caracas	Capital General	9082.71	9288.25	-2.26

Source: Bloomberg, Reuters International Herald Tribune

Anti-Depressant Makes Sunny Pitch to Public

By Stuart Elliott
New York Times Service

NEW YORK — Remember when Johnny Mathis sang "When Sunny Gets Blue?" The first campaign for Prozac to be aimed at consumers hopes to reverse that tune.

The campaign, by Leo Burnett Co. in Chicago, uses such weather imagery as dark clouds giving way to bright sunshine — from a sun that is somewhat evocative of the 1970s "happy face" symbol that urged everyone to "Have a nice day" — to promote Prozac, the anti-depressant treatment that has come to symbolize how consumers in the 1990s try to cure ills with pills.

Until the campaign, which begins running in August issues of more than 20 magazines, Eli Lilly & Co., which brought out Prozac a decade ago, had advertised the brand solely to health care professionals.

Prozac joins a long list of products available only by prescription that are being advertised directly to consumers as well as to doctors. Often an agency like Burnett, which works for such consumer marketers as Kellogg Co., McDonald's Corp. and Oldsmobile, lands the assignment to create such a campaign.

"We've taken our time," said Alan Clark, president for U.S. operations at Lilly in Indianapolis, "assessing what it would take to do it properly."

"Burnett's expertise in being able to connect with the general public will be helpful for us," he added.

While Prozac remains the most popular anti-depressant in the United States, with sales totaling more than $1.7 billion last year, doctors have been increasingly writing prescriptions for such competitive brands as Zoloft, sold by Pfizer Inc., and Paxil, from SmithKline Beecham PLC.

The goal of the Prozac print campaign, with a budget estimated at $15 million to $20 million, is not to urge users of those drugs to switch Prozac by asking them to put on a happy face, look for the silver lining or keep their sunny sides up.

Rather, the ads, which carry the cheery theme "Welcome home," are meant to stimulate demand for Prozac by urging people who are not being helped for depression — or receiving less strong medicine than they may need — to seek treatment.

"There has been lots of publicity about Prozac, but it hasn't made the connection with the kind of people who need help," Mr. Clark said, "because there are still data, fairly compelling, showing that two out of three people in a depressed condition are not getting treatment."

"There are two messages here," he added. "Depression hurts. And there are options available, of which Prozac is one."

The ads will appear in such magazines as Cosmopolitan, Ebony, Good Housekeeping, The Ladies' Home Journal, Marie Claire, Men's Health and Sports Illustrated. The campaign is scheduled to run three to six months.

As Chip Prices Fall, Motorola to Leave D-RAM Business

Bloomberg News

AUSTIN, Texas — Motorola Inc. said Tuesday it would stop making dynamic random-access memory chips, or D-RAMS, by the end of the year.

The company decision to leave the money-losing business comes after prices for the chipsfell about 30 percent in the second quarter. The move also comes as Motorola struggles to hold on to its market share in the cellular-phone business.

Motorola said it would take pretax charges of about $170 million as a result of the decision. The company will change the structure of its joint ventures with Toshiba Corp. and Siemens AG. Motorola's part of the ventures will shift to more profitable chips such as microprocessors and integrated circuits.

Memory chips "have better profitability pictures than D-RAM, which has gotten very price sensitive and tough to make money in," said Eric Buck, analyst at Donaldson, Lufkin & Jenrette Securities Corp. In late trading, Motorola's shares rose 87.5 cents to $77.

Very briefly:

Ruling Scraps Office Depot Deal

DELRAY BEACH, Florida (Bloomberg) — Office Depot Inc. shares fell 20 percent Tuesday after a judge derailed its purchase by Staples Inc., prompting concern that the retailer will not be able to catch up with faster-growing rivals.

A federal judge late Monday sided with the Federal Trade Commission, ruling that combining the two biggest office-supply retailers would hinder competition. The companies are expected to scrap the $4 billion deal. Office Depot shares fell 3 13/16 to 15⅝, while shares in Staples rose 1 1/16 to 24 5/16.

Viacom to Take Blockbuster Charge

NEW YORK (Bloomberg) — Viacom Inc. said Tuesday that second-quarter results at Blockbuster Entertainment Group would be worse than analysts expected as Viacom struggled to improve the slow video rentals and sales that plague the unit.

Viacom also plans to take $300 million in charges for overstocking in Blockbuster's stores. Viacom said Blockbuster's second-quarter revenues would range from $880 million to $900 million, below analysts' estimates. Viacom A shares, which have fallen 17 percent in the last 12 trading days, rose 18.75 cents, to $29.625.

- **Westinghouse Electric Corp. and Microsoft Corp.** denied a report that Microsoft was exploring a bid to buy Westinghouse's CBS broadcasting unit.
- **Campbell Soup Co.** named Dale Morrison, a former PepsiCo Inc. snack-food executive, as its chief executive, replacing David Johnson, who will retire.
- **Lucent Technologies Inc.** sued Acer Inc., claiming that the personal-computer maker infringed on eight of Lucent's patents covering video technology and manufacturing inventions.
- **ConAgra Inc.**'s fourth-quarter earnings rose 15 percent, to $186.5 million, topping analysts' expectations, as increased profit from its refrigerated-foods unit offset declines in its food-ingredients division. *Bloomberg, NYT*

Economic Basics Underpin Dollar

Bloomberg News

NEW YORK — The dollar rose against other major currencies Tuesday as world leaders held a global video conference on European monetary union.

Lawrence Summers, the U.S. deputy treasury secretary, said the dollar's recent advance against European currencies reflects "the strength of economic fundamentals."

Speaking from Washington, Mr. Summers noted that the U.S. budget deficit would continue to shrink this year, and that economic and employment growth were strong, "without any significant inflation."

FOREIGN EXCHANGE

The dollar was at 1.7463 Deutsche marks at 4 P.M., up from 1.7455 DM late Monday.

Against other currencies, the dollar rose to 114.900 yen from 114.655, to 5.8860 French francs from 5.8802 and to 1.4660 Swiss francs from 1.4615.

The pound slipped to $1.6587 from $1.6657.

Mr. Summers said the euro, Europe's proposed single currency, would not replace the dollar as the world's reserve currency. While "there will be a change in financial patterns," he said, after the euro is introduced, "the dollar is in a very strong position."

In the same conference, Hans Tietmeyer, the president of the Bundesbank, said the German central bank would "do everything" to ensure that the mark retained its strength, adding that its recent decline had reflected a "correction" of a surge two years ago.

"I do not see a weak mark," he said, "I see a strong dollar."

"We will do everything so that the mark is as strong as it is," Mr. Tietmeyer said, adding, "We want to transfer the current strength of the mark" to a European common currency.

A Stable Outlook for Rates Bolsters Stocks

Compiled by Our Staff From Dispatches

NEW YORK — Most major stock indexes rose Tuesday as economic reports led investors to believe interest rates would remain stable for now.

Stocks followed bonds higher after a private manufacturing survey indicated to traders that the Federal Reserve Board would decide not to raise interest rates Wednesday to cool the economy and curb inflation.

The Dow Jones industrial average rose 49.54 points, to 7,722.33, as advancing issues outnumbered declining ones by a 4-to-3 margin.

The price of the benchmark 30-year Treasury bond rose 20/32, to 98 20/32, as its yield fell to 6.73 percent from 6.78 percent. Higher interest rates make it more expensive for companies to raise funds to invest in their businesses. Banks, whose profit margins widen as rates decline, led the gains Tuesday.

The Standard & Poor's 500-stock index rose 5.89 points, to 891.03. Oil companies led the index higher as crude oil prices rose above $20 a barrel for the first time in four weeks. Exxon, Mobil and Amoco all gained.

Stock in McDonnell-Douglas rose 1 to 69½, and Boeing rose 15/16 to 54 after Boeing won clearance from U.S. regulators for its $15 billion purchase of the aerospace and airplane company. The Federal Trade Commission ended its six-month review without imposing any conditions.

U.S. STOCKS

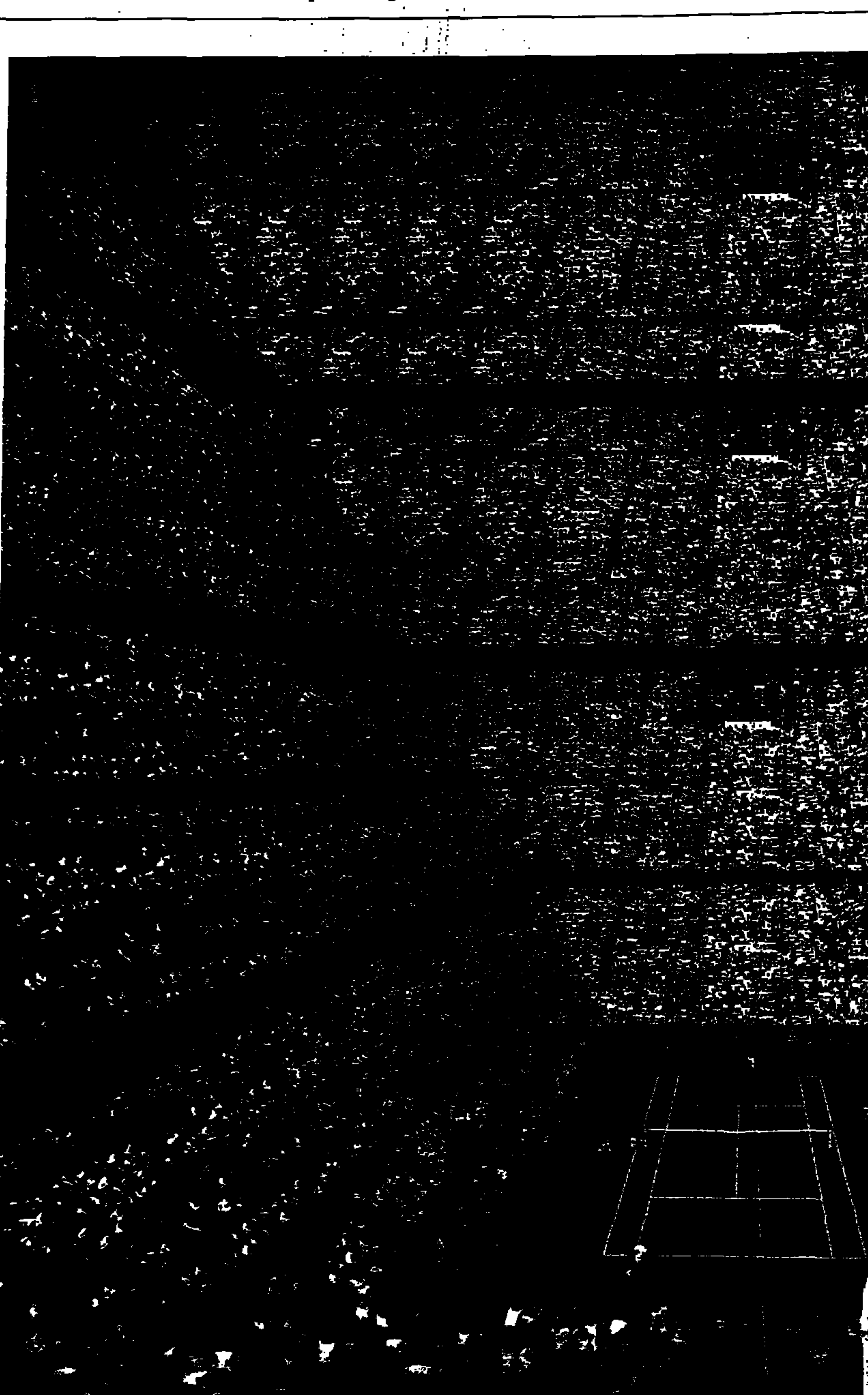
The Nasdaq composite index, which is laden with computer-related companies, fell 3.82 points, to 1,438.25, after a few companies in the industry warned that profits this quarter would fail to meet expectations this quarter.

Cyrix slid 1¼ to 20⅛ after the semiconductor company said it expected second-quarter sales to be significantly below the $75.6 million reported in the first quarter. Cyrix cited competition from Intel and weak demand.

The rise in U.S. equities followed record-setting gains in France, Germany, Spain, Austria, Finland, Italy, Norway, Sweden, Ireland, Portugal and Russia.

Many investors are worried that prices have risen too far in the rally this year, and say prices need to fall.

"We've had one of the most incredible rises in the market that any of us have seen, and a great deal of overvaluation has crept in," said Seth Glickenhaus, the chief investment officer at Glickenhaus & Co. who started on Wall Street five years after the 1929 crash. "Money is still pouring in and will continue to do so, but eventually there will be a comeuppance." *(Bloomberg, AP)*



INVEST: *U.S. Market Continues to Astound (When Will It Fall?)*

Continued from Page 1

books. All the major stock indexes have set records this year.

The Standard & Poor's index of 500 stocks closed the quarter at 885.14 points Monday, down 2.16 for the day but just 13 points off its all-time high. And, while they trail the blue-chip averages, the Nasdaq composite and the Russell 2000 index of small-company stocks have also set records.

And the Dow — the most widely followed market indicator — has already set 28 new closing highs. In all of last year, it reached a new high 44 times on its way to a 26 percent gain. So far this year, the Dow is up 19 percent.

Of course, this year's gains have not come without volatility or a steep downturn: The Dow has had 18 closings with moves of more than 100 points. The sharpest decline in more than six years — a four-week drop of 9.8 percent — ended April 11.

But many investors continue to see stocks as the best investment vehicle available, and keep pouring billions of dollars into mutual funds.

Mutual-fund managers are talking these days about investors who say they are holding off on buying a dream house to invest in the market, and others who expect nothing less than a 15 percent annual return.

"There's a quantum leap in expectations occurring here," said Robert Farrell, a market analyst at Merrill Lynch & Co. "Usually when you get a market so convincing, the people who are not in find a way to buy into a market that's already up a lot. They find reasons why it's going to go up a lot more."

And even while some on Wall Street warn about the dangers of expecting such outsized returns, a cadre of bullish strategists now speak of a Dow at 8,250 by year-end, a Dow at 10,000 by the year 2000 — even a Dow at 15,000.

Such euphoria has been fueled this year by what many consider an ideal economic environment, one characterized by stronger-than-expected growth, lower-than-expected inflationary pressure and high profit margins.

Interest rates are also stable, and the price of gold — traditionally seen as a key indicator of coming inflation — has hit a four-year low.

That bodes well for one of the greatest bull markets in history, one whose longevity and explosive returns continue to astound even seasoned observers.

In three years, for instance, the Dow has more than doubled, soaring 112 percent — an annual rate of better than 37 percent, or three times faster than its historical average.

But Mr. Farrell warns that serious trouble may lie ahead. Like the "parabolic markets" of 1929 and 1987, he warned, the current stock craze may be setting itself up for a steep fall.

"Those were the markets that went up in a persistent, consistent and insistent basis," he said. "You don't know how high they will go, but they don't go sideways when they end."

TILT: *What's Behind End-of-Quarter Moves?*

Continued from Page 11

day — so-called market-on-close orders — and the New York and American Stock Exchanges handle them by announcing sizable order imbalances well before the close, hoping to draw in offsetting orders. For example, the order imbalance in Coca-Cola on Monday showed a net of 911,000 shares to be sold.

To the extent that other buyers do not emerge to take those shares, it is up to the exchange's specialist in that stock to buy the shares.

And while in some cases Monday, either the specialist or other buyers were willing to offset the imbalance — an imbalance of 278,000 shares to buy in Philip Morris Cos. seems to have moved the price by just 6.25 cents — in other cases the price was moved substantially.

Specialists are graded in part on how well they avoid market disruptions, which gives them an incentive to step up and take shares without moving the price very much. In some cases, traders who want to buy or sell large blocks may put them in as market-on-close orders, hoping that the orders will be seen as related to some index arbitrage activity, rather than as a trade based on fundamentals.

When the specialist gets the price wrong on the final trade — when it is too high or too low for the real state of the market — the stock can be expected to retrace at least part of the distance in coming sessions. Coca-Cola added 50 cents in later trading on the Pacific Stock Exchange on Monday to close at $68 on the consolidated tape, which is the price that most newspapers print.

A money manager who manages to make his or her performance look better than it would have, by dint of such a move, is likely to start the new quarter in a hole as the artificial price moves are retraced. But that manager will have three months to get out of that hole.

At the latest count, in our 1996 Reader Survey, you tell us that in a year you spend over 16 million nights in hotels.

Time well spent, we're sure. Just like the informative half hour of your day you spend keeping in touch via your IHT.

For summaries of the surveys from which these facts are taken, please call, in Europe, James McLeod on (33) 1 41 43 93 81; in Asia, Andrew Thomas, on (65) 223 6478; in the Americas, Richard Lynch on (212) 752 3890.

THE WORLD'S DAILY NEWSPAPER

Need a Net Address? Just Click on Tonga's Site

By Elizabeth Corcoran
Washington Post Service

Tonga does not have a lot of wealth and natural resources among the 170 tiny islands that make up the South Pacific country. There are only about 600 computers in the entire nation — one for about every 180 people.

But Tonga does have an unlimited number of Internet addresses. Almost of them are up for sale.

Over the past three years, enthusiasm for the Internet has ignited a fierce battle over "domain names," the words that appear to the right of the "at" symbol in such addresses as "yourname@company.com." So far, more than 1 million names already claimed at the United States' InterNIC registry, run by Network Solutions Inc., some people have fretted that the hippest addresses are taken.

They just did not know about the names ending in ".to." That is ".to" as in the first two letters of Tonga. These addresses are now for sale, at $100 apiece. Thus, while the address amazon.com is already taken, amazon.to is available.

Every country has a right to domains in cyberspace. For example, Austria has names ending in ".at" and the Congo Republic has names ending in ".zr," for its former name, Zaire.

Each country can make up its own rules about who can use its name. Many countries cling to geography and insist that only organizations or people who have at least a toe on their own soil can use their address.

Crown Prince Tupouto'a has no such requirement. Last week a San Francisco company called Tonic Corp. opened up a Web site that offers Internet names — ending in ".to" — to anyone willing to pay the $100 registration fee.

Tonic was started by Eric Gullichsen, a longtime Silicon Valley

CYBERSCAPE

entrepreneur, and Eric Lyons, former director of research for Autodesk Inc., a software graphics company based in Sausalito, California. Both have vacationed in Tonga. A few years ago, Mr. Gullichsen met the prince and became the official computer consultant to the kingdom.

Late last year the prince decided Tonga needed its own Internet connection. Mr. Gullichsen and Mr. Lyons won the contract, and by January Tonga was on-line. The two consultants also realized that they had a well of Internet addresses literally at their fingertips, with the ".to" suffix.

"When the prince visited San Francisco in April, the Internet domain name imbroglio was under way," Mr. Lyons said, referring to controversy over Network Solutions' handling of domain names. The company has had a monopoly on registering several domain names, like ".com." Some people complained that the company's policies for awarding names were inconsistent. Others were unhappy when Network Solutions announced it would charge a $100 registration fee for every name.

"We said, 'Hey, two can play at this,'" Mr. Lyons said. "And the prince thought it was a great idea."

The prince, who is the majority shareholder in Tonic, collects most of the registration fee. Mr. Lyons and Mr. Gullichsen said they were earning "finders' fees."

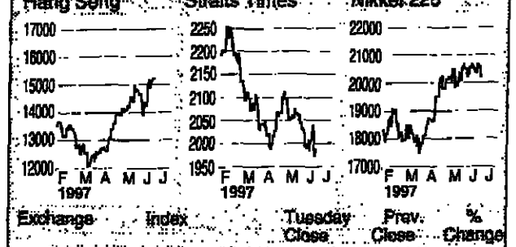
Tonga is not the only country that is willing to sell an address. Some make the price very high for noncitizens. Others have a lengthy application process.

But the family of Prince Tupouto'a is savvy about Tonga's technological prospects. A few years ago, the country seized control of its first satellite slots, a valuable commodity to anyone parking a fixed satellite spot above Earth. It now has seven slots, which the prince's sister, Princess Salote Pilolevu Tuita, leases out.

To make ".to" addresses appealing, Mr. Gullichsen and Mr. Lyons have made getting one as easy as surfing the Web. The Tonic site (www.tonic.to) features a page where any ".to" hopeful can type in a desired address. Tonic will respond as to whether the address has already been claimed.

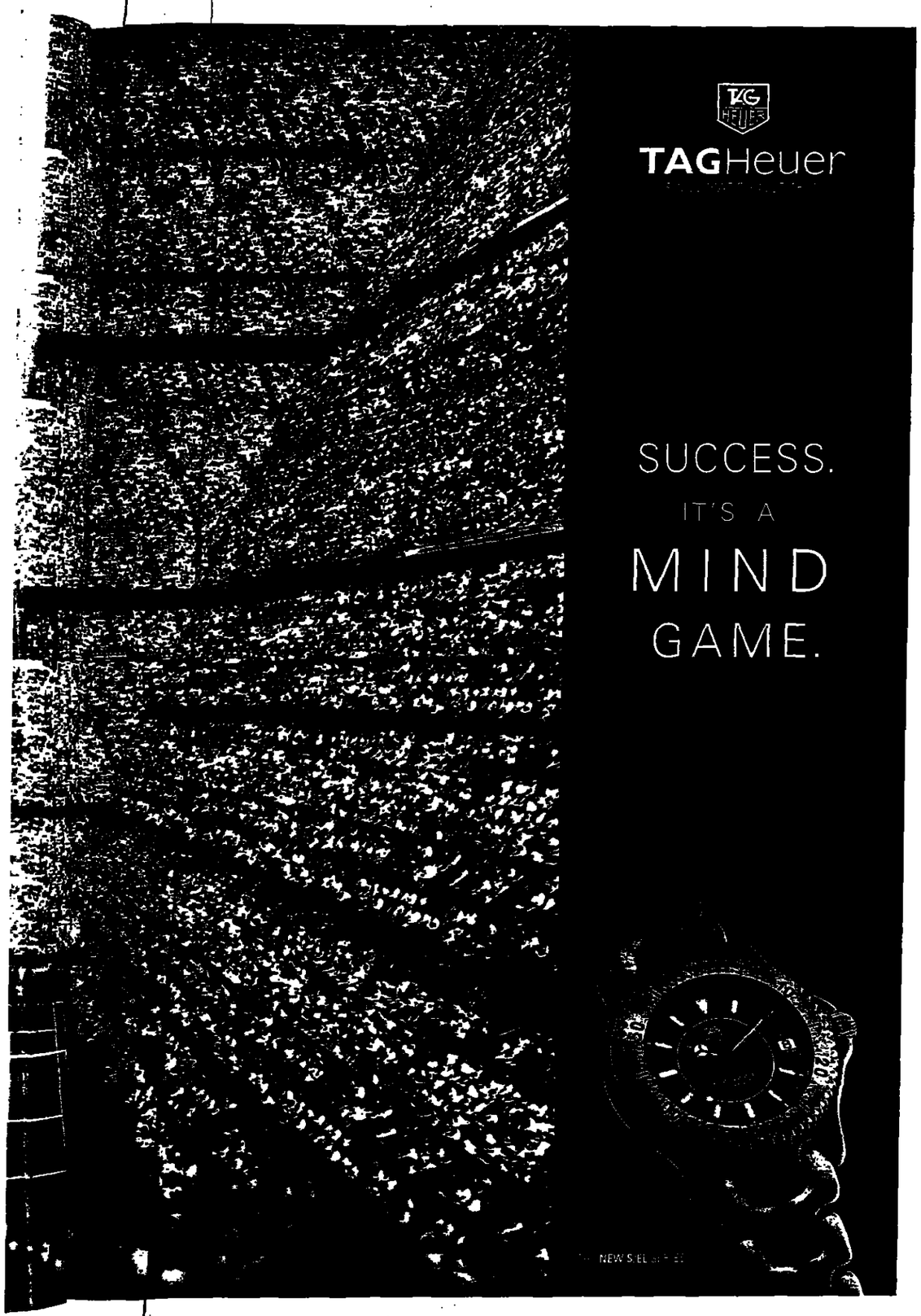
• *Other recent technology articles: http://www.iht.com/IHT/TECH/*

Investor's Asia



Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	Closed	15,196.79	-
Singapore	Straits Times	1,981.28	1,987.95	-0.34
Sydney	All Ordinaries	2,721.20	2,725.90	-0.17
Tokyo	Nikkei 225	20,175.52	20,604.86	-2.08
Kuala Lumpur	Composite	1,078.90	1,077.30	+0.15
Bangkok	SET	Closed	527.28	-
Seoul	Composite Index	758.03	745.40	+1.69
Taipei	Stock Market Index	Closed	8,089.26	-
Manila	PSE	2,813.54	2,809.21	+0.28
Jakarta	Composite Index	731.62	724.56	+0.97
Wellington	NZSE-40	2,490.86	2,501.96	-0.44
Bombay	Sensitive Index	Closed	4,256.89	-

Source: Telekurs — International Herald Tribune



Export Surge Halts Seoul Trade Deficit

June Surplus Is First Since 1994

Compiled by Our Staff From Dispatches

SEOUL — South Korea reported Monday a trade surplus for June, the first since December 1994, a turnaround that some analysts say signals that the economy is poised to rebound after four years of declining growth.

The $98 million surplus was fueled by surging exports of semiconductors, petrochemicals, automobiles and steel products, the government said.

Last year, South Korea recorded a deficit of $426 million for June.

Exports rose 9.2 percent to a record high of $12.35 billion, the Ministry of Trade, Industry and Energy said, while imports climbed 4.4 percent to $12.25 billion.

Analysts said exports were lifted by the yen's rise against the dollar during the last few months. A stronger yen helps South Korean exports by pushing up the prices of exports from Japan, South Korea's largest industrial competitor.

"Korea's exports will continue to be strong in coming months as the yen's recent surge against the dollar takes effect later this year," said Kwak Young Hoon, a Dongsuh Economic Research Institute economist.

The trade figures helped drive up the benchmark index on the Korea Stock Exchange by 1.7 percent, which closed at 758.030.

Pohang Iron & Steel Co., Samsung Electronics Co. and other large exporters paced the gain.

"Until yesterday," a Cho Hung Securities dealer said, "everybody was betting on more consolidation. But investor sentiment turned around on the news of the June trade surplus."

Trade officials said South Korea would be able to hold the trade deficit for the full year to $14 billion.

"It's too early to talk about a full recovery in exports," one ministry official said, "but it seems certain that exports are on track towards a recovery."

(AFP, Bloomberg)

Very briefly:

• **Japan's** domestic sales of new cars, trucks and buses fell for the third consecutive month in June but foreign demand was expected to keep assembly lines busy until at least the fall. Domestic sales fell 5 percent in June compared with the same month a year earlier to 419,059 vehicles.

• **British Telecommunications PLC** and **MCI Communications Corp.** are looking for Japanese partners to expand their share of Japan's $90 billion telecommunications market.

• **Nippon Credit Bank Ltd.** will close all of its overseas operations by November as part of a restructuring plan.

• **Reed Hundt**, chairman of the **U.S. Federal Communications Commission**, said Japan's interconnection charges were "at record levels" compared with other countries.

• **Telekom Malaysia Bhd.** will form **Meganet Communications Sdn.**, a joint venture with Japan's **Nippon Telephone & Telegraph Corp.**, to provide engineering works and services for office buildings and other projects.

• **Coca-Cola Amatil Ltd.** of Australia's shareholders approved a stock-swap agreement with **San Miguel Corp.** of the Philippines valued at about 3.4 billion Australian dollars ($2.53 billion), creating the largest Coca-Cola bottler outside the United States.

• **Nippon Telegraph & Telephone Corp.'s** pretax profit from private local calls more than doubled, to 186.6 billion yen ($1.63 billion), in the year ended in March, thanks to a boom in mobile-phone usage.

• **Hyundai Motor Co.**, South Korea's largest automaker, said sales in June rose 8 percent compared with the year-earlier period to 118,764 vehicles, thanks to a 42 percent gain in exports. Domestic sales fell 14 percent.

• **PT Garuda Indonesia**, plans an initial public offering next year. The airline said it expected its net profit to rise 147.63 percent, to 308.8 billion rupiah ($126.9 million), in 1997.

• **Independent Newspapers Ltd.** of New Zealand, which is controlled by **News Corp.**, is negotiating to buy 51 percent of the country's largest pay-television operator, **Sky Network Television Ltd.**

Bloomberg, Reuters

C&W Seeks Control of Australia Phone Firm

Compiled by Our Staff From Dispatches

SYDNEY — Cable & Wireless PLC said Tuesday that it was seeking control of Optus Communications Pty., Australia's second-biggest phone company.

The British telecommunications company said it would pay the BellSouth Corp. 980 million Australian dollars ($730.1 million) for its 24.5 percent stake in Optus, and, in exchange, give the U.S. regional phone company a 22.3 percent stake in Occel, a mobile-phone operator in western Colombia.

Cable & Wireless already has a 24.5 percent stake in Optus, and the BellSouth stake will give it 49 percent of the company. Cable & Wireless said it would seek permission from the Australian government to raise its stake to 51.5 percent to gain control. Under Australian foreign ownership rules, it can only own 49 percent.

"This enhances the strategic value of Cable & Wireless," said Andrew Harrington, a telecommunications analyst at Salomon Brothers International Ltd. in London, "because they'll be able to deliver to a global carrier effective control of two out of three major Asian hubs."

Cable & Wireless owns 57.5 percent of Hong Kong Telecommunications Ltd., but it plans to sell a 5.5 percent stake to China Telecom.

The British company also owns 30 percent of a mobile-phone operator in Singapore.

"We have decided to dig our roots deeper in Australia," said Chief Executive Richard Brown said, "where we can offer our customers a full range of integrated services, and to plan an exit from a dilutive wireless business in Colombia, where we cannot."

Cable & Wireless wants to develop businesses that offer a broad range of services.

Optus, which began operating in 1992, has an 18 percent share of the Australian long-distance market and serves 32 percent of mobile-telephone users. It reported a pretax profit for last year of 60 million Australian dollars on sales of 1.9 billion Australian dollars.

Accepting Cable & Wireless's offer was difficult, said the president of BellSouth International, Charles Miller. But for Optus to succeed, he said, it needs the swift and clear decision-making that can be achieved only with a single telecommunications shareholder in control.

"Given the respective strategies of BellSouth and Cable & Wireless," he said, "we concluded that exiting Australia and further focusing BellSouth's efforts in other countries was the best solution for all." *(Bloomberg, AFP, AP)*

SIA and Pratt & Whitney Plan Engine Venture

Reuters

SINGAPORE — Singapore Airlines Ltd. and Pratt & Whitney said Tuesday that they were forming a joint venture engine-overhaul company to tap opportunities in the Asia-Pacific region.

Pratt & Whitney, a unit of United Technologies Corp., will own 51 percent of the venture and SIA Engineering Co., a wholly owned subsidiary of Singapore Airlines, will hold the balance.

The initial focus of the joint venture would be the PW-4000, JT-9D and the CFM-56 engines, all which are now used in the Singapore Airlines fleet.

The venture would be Pratt & Whitney's sole overhaul facility for the Asia-Pacific region and the Indian subcontinent, said James Taiclet, vice president of the company's Eagle Services unit.

Mr. Taiclet said the venture would effectively double the company's overhaul revenue.

"We expect over $200 million in revenues a year in 1998," he said, "and by 1999, it would be up to $300 million."

Chief Executive Robert Tan of SIA Engineering said the venture would give his company access to the most advanced technology in the overhaul business. SIA Engineering's annual sales, which will be transferred into the venture, are about $185 million.

Initially, Singapore Airlines will contribute about two-thirds of the joint venture's business but that is expected to fall to half as business from other airlines increases.

Mr. Taiclet said the Asia-Pacific overhaul market for the three engines initially covered by the venture was worth about $600 million a year.

E-Funds
International Funds via E-mail.
A new service for IHT readers.

What is E-Funds?
E-Funds is a service that allows you to receive regular updates on the international fund groups that interest you. These updates are delivered automatically to your e-mail box daily.

How do I subscribe?
To add a fund group, send an e-mail message to "e-funds@iht.com" – in the body of the message, type SUBSCRIBE followed by the fund code. For example, to subscribe to the Global Asset Management fund, you would type SUBSCRIBE 076 (The fund codes appear next to the funds listed on the International Funds page of the IHT). Within 5 minutes, your subscription will be registered and you will begin to receive daily updates on the fund.

How many funds may I subscribe to?
You may subscribe to as many funds as you like, but you must send an individual SUBSCRIBE message for each fund. Receive a full list of funds codes on the IHT International Funds page, or by sending an e-mail message to "e-funds@iht.com" with the command *INDEX* in the text in the body of the message.

What must I pay?
There is no cost for subscribing to E-Funds. This is a reader service feature for IHT readers.

Brought to you in collaboration with NOKIA, the official E-Funds sponsor.

Follow your funds via the Herald Tribune
THE WORLD'S DAILY NEWSPAPER

CURRENCY & CAPITAL MARKET SERVICES

SOVEREIGN (FOREX) LTD.
SWISS BROKERHOUSE
118, Rue du Rhône,
1204 Genève

24 HOURS FOREX DESK
- Interbank Conditions
- No Commission
- Capital Return Guarantee
- Higher Return on Investment
- Daily Market Comment
- Individual Credit Line
- 20 Years Experience
- Confidentiality Guaranteed According to Swiss Law

Inquiries:
Phone: ++ 41 12 14 6322
Fax: ++ 41 41 728 0809

PHOTOS: *Striking Gold in Electronic Recycling*

Continued from Page 11

Hoffenberg, a Lyra analyst, "the potential is huge."

The paper that an ink-jet printer needs to make a durable photo sells for about $15 for 10 of the 8½-by-11-inch (22-by-28-centimeter) sheets. A photo also requires five to six times the amount of ink needed to print a spreadsheet, and ink cartridges cost up to $40.

The potential is not lost on printer companies.

"The more people use our printers for anything, the more consumables they are going to buy," said Jeffrey Mandell, an Epson marketing director.

Home users bought $79 million worth of ink and $39 million worth of photo-based paper last year. Lyra says, and it forecasts that this year ink sales will reach $221 million and paper sales $52 million, and to go to $460 million in ink and $106 million in paper by 2001.

That is one reason prices of home-use ink-jet printers, which now rarely top $499, keep dropping, said David Rocheleau, another Lyra analyst.

"The companies will take low margins on printers because they make so much on the supplies," he said. "It's the razor blade theory: Sell the razors cheap, and make the money on the blades."

Not surprisingly, manufacturers are pulling out all stops to get those razors sold.

Last week, Hewlett-Packard held a huge party in New York City to introduce its electronic photo-finishing system.

Lexmark International Group, which makes only printers, commissioned four photographers to print out their work on a Lexmark printer, then displayed the photographic "art" in galleries in New York and Canada.

"People won't buy a new printer just to reprint old photos, but that capability could help them decide what printer to buy," said Paul Rooke, a vice president at Lexmark, which now bundles photo-manipulation software with its printers.

The hard sell continues at the store level. Kodak and Kmart Corp. recently took out full-page ads in 1,300 newspapers to entice consumers to recycle old photos on Kmart's self-service Kodak machines.

Kodak and Xerox have both given copier and photo-finishing stores mailing inserts and displays that extol ways to get new life from old photographs.

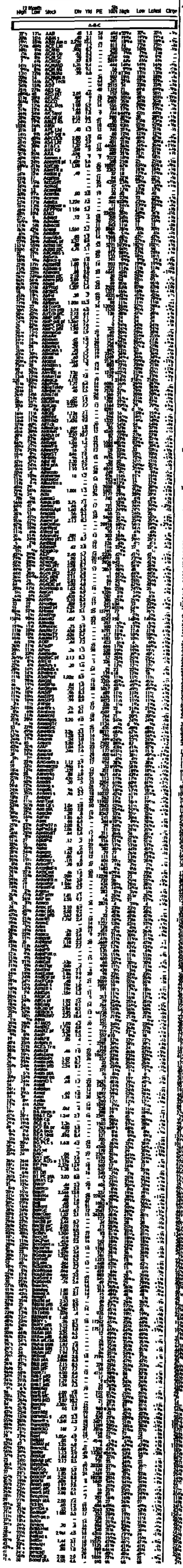
Just as important, they are training clerks to suggest more complicated applications — say, creating a customized calendar or an illustrated family tree.

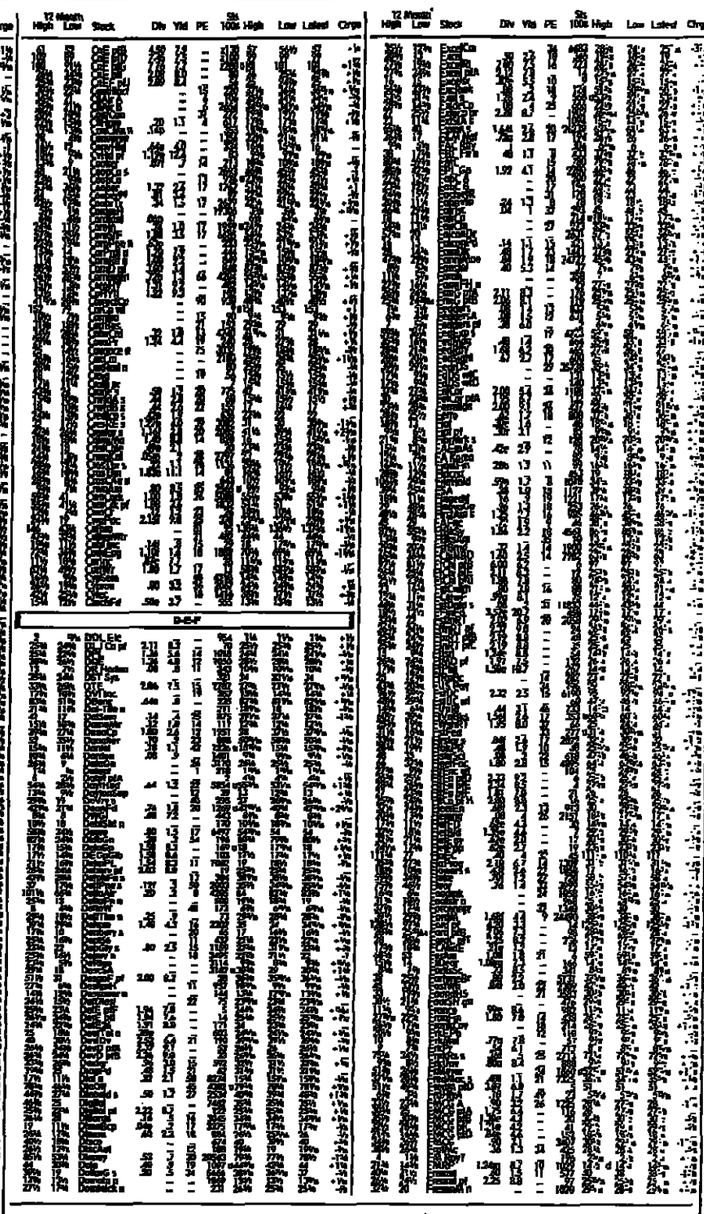
NYSE

Tuesday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.

The Associated Press.





DO YOU LIVE IN AUSTRIA, BELGIUM, LUXEMBOURG OR SWEDEN ?

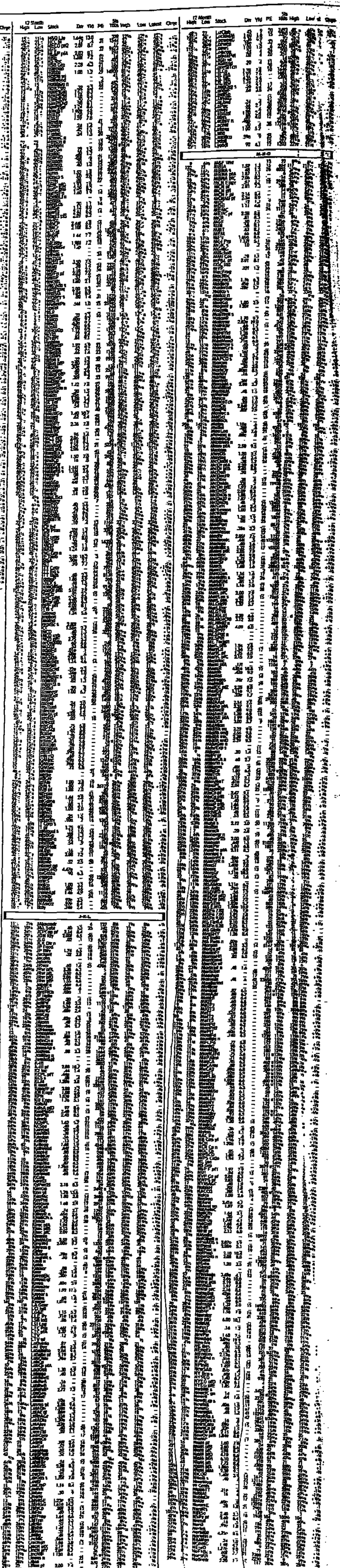
For information about subscribing call:

Austria	01 891 363 830
Belgium	0800 17538 (toll-free)
Luxembourg	0800 2703 (toll-free)
Sweden	020 797039 (toll-free)

International Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

THE WORLD'S DAILY NEWSPAPER



Continued on Page 17

Nycomed To Merge With Rival

Norway Drugmaker Enlists Amersham

Compiled by Our Staff From Dispatches

LONDON — Nycomed ASA said Tuesday that it would merge with Amersham International PLC in a [illegible].9 billion transaction to form a British-Norwegian company to compete in the expanding global health-care industry.

The transaction, which includes $1[illegible] million in assumed debt, will create a bioscience and diagnostics company called Nycomed Amersham PLC with annual sales of about £[illegible] billion ($2.50 billion) and a market capitalization of £1.8 billion.

"It's great news for Nycomed," said Stewart Adkins of Lehman Brothers. "This gives Nycomed shareholders the opportunity to sell at a nice premium. It's more difficult now to envisage Amersham's future growth because they are merging with a company with a difficult profit outlook."

Nycomed shares jumped 25 kroner, or 3 percent, to 133 kroner ($18.16), while shares in Amersham rose 87.5 pence, or 5 percent, to 1,682.5 pence.

Nycomed, a Norwegian drug company that was spun off in May 1996 as part of the breakup of Hafslund Nycomed ASA, has seen a steady decline in earnings in the last few years, with pretax profit before restructuring costs falling 31 percent, to 1.17 billion kroner in 1996 from 1.69 billion kroner in 1995.

But Nycomed's 1996 operating profit was about £64 million greater than Amersham's £90 million. As a result, Nycomed shareholders will get a 53 percent stake in the combined company, while investors in the British medical-products maker will get 47 percent.

"It's a very positive deal," said Ian White of Robert Fleming Securities. "It's going to make the new company the world leader in in-vivo diagnostics." In-vivo technology enhances images obtained during X-rays or magnetic resonance imaging scans.

Chairman Johan Fredrik Odfjell of Nycomed has been named chairman-designate of the combined company while his counterpart at Amersham, Richard Lapthorne, will become deputy chairman.

The deal follows Amersham's agreement last month to acquire Pharmacia & Upjohn Inc.'s biotechnology division, which allowed it to become the world's largest supplier of basic bioscience research. *(Bloomberg, Reuters)*

Can Europe's Approach Create Jobs?

Quick and Easy Fixes Doomed to Failure, Economists Say

By Joseph Fitchett
International Herald Tribune

BONN — Rejecting the American path to job creation as too rocky a road for their societies, European leaders are touting their own approaches. These include proposals such as work-sharing through shorter hours, early retirement and job training.

But as attractive as they may seem, these gentler-sounding measures have a downside, according to leading labor economists from Europe and the United States: They have never, in practice, created employment — and they are unlikely ever to do so.

The proposed remedies could even aggravate the affliction they are trying to relieve by diverting European governments away from what specialists call the only durable source of jobs: a broad-based campaign to spur growth rather than quick fixes.

"Fundamentally," said Gary Becker, a Nobel laureate from the University of Chicago, "most of these nostrums stem from a fallacy: that there is only a finite amount of work, so it's better to share it out."

His skepticism about the value of quick, politically palatable fixes was echoed by a score of economists at a conference on labor markets this month in Bonn under the auspices of the German-American Academic Council Foundation.

Few participants were ready to match Mr. Becker — a prominent Chicago-school free marketeer and an unabashed advocate of Reagonomics — in trumpeting claims that the United States had somehow "won the war" on unemployment. Most spurned quasi-ideological boasts of the sort that led to trans-Atlantic friction at the recent Denver economic summit meeting.

"Neither Europe nor the United States," said Richard Freeman of Harvard University, "has found work for less-skilled manual men in the post-industrial economy nor managed to provide social protection without running up large government deficits."

Whereas in Europe there has been a consistent trend toward higher wages for those with jobs and the safeguarding of enough benefits for those without jobs to maintain social cohesion, many Americans are seeing their earning power improve, sometimes spectacularly, while relying on big, costly law enforcement agencies to cope with anger in the underclass.

This "incarceration factor" is often omitted in presentations of the U.S. economy because official unemployment statistics take no account of working-age men out of work because they are in prison or on parole. The 1.5 million incarcerated men and the 8.1 million on parole represent nearly 10 percent of the male work force; they account for almost one-third of all black high-school dropouts.

Including these numbers, adjusted for those parolees with jobs, would lift the U.S. jobless rate of about 5 percent into double digits — within range of the 12 percent European Union rate.

"It is clear that many American men choose crime over work," Mr. Freeman said, "even though they are likely to spend considerable time locked up."

'If the French want to work less hours, that's their business. But they should not expect it to cure 12 percent unemployment.'

Governments in Western Europe, which has only a tenth as much crime as the United States, view strong social protection and tranquillity in the streets as a cultural imperative. "It's part of their concept of security," said an American participant at the conference.

It is a rational choice, he added, "if Germans want to eat home-cooked meals prepared by their wives instead of going to a nearby fast-food place." But mom in the kitchen also means fewer jobs in the restaurant and hotel sector — 15 percent of U.S. employment.

The Germans school system sends pupils home at noon, guaranteeing that mothers stay at home and are "guaranteed being kept out of the work force," Mr. Becker said.

In contrast, the U.S. job market has accommodated large growth in demand for jobs as the population has grown, with a larger proportion of women, immigrants and refugees entering the job market than in Europe.

Growth in the United States creates jobs, which in turn fuels new demand that in turn spawns new job openings.

"It's as much as mystery as it is a miracle," a U.S. participant said. In contrast, Europe has suffered a net loss of jobs as its population declined, with women staying home and refugees being turned away at the borders.

Europeans, largely for cultural reasons, seem to like it that way, said a German politician who asked that he not be identified, because they oppose the upheaval entailed by more open competition.

As a result, the subject of jobs is "notoriously subject to political manipulation," said Fritz Scharpf, a Cologne-based researcher, who noted that the Conservative Party in Britain had altered unemployment definitions more than 30 times, each time reducing the number of jobless.

Similarly, misguided ideas for solutions often have long half-lives because Europe has failed to develop "an evaluation culture" testing the results of employment initiatives, according to Michael Lechner of Mannheim University.

Work-sharing is a glaring case. The optimistic view of work-sharing says that if the work hours of employees are reduced by, say, 10 percent, employment should rise by 10 percent.

But the evidence shows that work-sharing tends to reduce employment, not increase it, according to Jennifer Hunt of Yale University. Employers find the system inefficient and compensate by cutting costs — including payrolls.

Similar ideas — such as early retirement to open up jobs — will not succeed without real economic pain, economists said. It is a cultural choice, a German conference participant said.

"If the French want to work less hours by reducing the normal work week to 34 hours," he said, "that's their business. But they should see it as a choice of leisure and not expect it to be a cure for a 12 percent unemployment rate."

The economists said some misconceptions are perpetuated by a misunderstanding of the Dutch economy, which has become a European model by raising employment to U.S. levels while cutting government deficits.

The Netherlands has a high employment rate because many people have accepted part-time jobs. But the conference participants said these are largely low-paying jobs, many of them in private companies that the government hires to provide health and other local services.

Economists also questioned whether the high taxes in the Netherlands would eventually drive away entrepreneurs and investment capital — both of which are increasingly mobile in Europe and crucial to growth.

Air France Pilots Turn to U.S. Union for Help

Bloomberg News

PARIS — Air France's largest pilot union said Tuesday that it had asked the Air Line Pilots Association of the United States to determine whether cost cuts demanded by the airline's management are reasonable.

The National Airline Pilots Union said it had chosen the American union after Air France agreed to a double audit of expenses. The carrier is seeking to bring costs in line with its European rivals.

The chairman of Air France, Christian Blanc, will choose one auditor, and the French union, which represents 80 percent of the state-owned airline's pilots, will select the other.

John Mazor, a spokesman for the American union, said pilots from other European airlines, including Aer Lingus Group and KLM Royal Dutch Airlines NV, had asked the association for similar services.

"Employees at the various European airlines are becoming more concerned about what's in store for them because they are undergoing various kinds of changes in the marketplace," Mr. Mazor said. "In the U.S., we went through our own market deregulation beginning in 1978."

Christian Paris, a spokesman for the French union, said the American union had not officially been engaged; that should happen next week, he said.

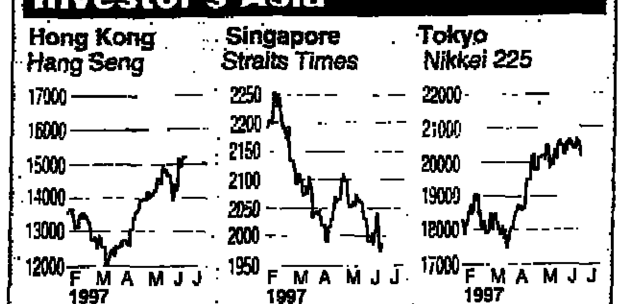
Air France declined to comment.

Mr. Blanc's efforts to get unions to accept changes in work and pay rules have been complicated by efforts to merge the work force of Air France and the former Air Inter, whose pilots are better paid than their counterparts at Air France.

Pilots at Air Inter, the domestic arm of the Air France group that now markets its services as Air France Europe and Air Inter Europe, have staged several strikes to protest proposed pay cuts.

Pilots at Air France went on strike in May after management approved a two-tier pay system.

Investor's Asia



Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	Closed	15,196.79	-
Singapore	Straits Times	1,981.28	1,987.95	-0.34
Sydney	All Ordinaries	2,721.20	2,725.90	-0.17
Tokyo	Nikkei 225	20,175.52	20,604.96	-2.08
Kuala Lumpur	Composite	1,078.90	1,077.30	+0.15
Bangkok	SET	Closed	527.28	-
Seoul	Composite Index	758.03	745.40	+1.89
Taipei	Stock Market Index	Closed	9,030.28	-
Manila	PSE	2,815.54	2,809.21	+0.23
Jakarta	Composite Index	731.62	724.56	+0.97
Wellington	NZSE-40	2,490.86	2,501.96	-0.44
Bombay	Sensitive Index	Closed	4,258.09	-

Source: Telekurs — International Herald Tribune

Very briefly:

- A British court will decide Friday whether to appoint a judge to hear a case brought by 47 people with lung cancer that could lead to compensation payments by British tobacco companies.
- **British** manufacturers chalked up their 13th successive month of growth in June. The Chartered Institute of Purchasing Supply's index slid to 53.4 from 54.4 in May as the pace of manufacturing growth eased last month, but any reading above 50 indicates the sector is expanding.
- **France** and **Britain** are prepared to extend **Eurotunnel's** right to operate the channel tunnel if the company pays them a share of its profit after the current lease runs out in 2052, according to the Finance Ministry in Paris. The governments want to extend the lease by "at least" 99 years, it said.
- **The European Union** will appeal a ruling by the **World Trade Organization** that it must end its ban on imports of beef treated with growth hormones.
- **West German** workers cost more to employ than any others in the world. The IW research institute said West German workers cost on average 47.28 Deutsche marks ($27.11) an hour, 57 percent more than the average in the industrialized world.
- **Bertelsmann AG** will sell 20 percent of its television unit to the a fellow German publishing company, **WAZ.**
- **Arianespace** named Jean-Marie Luton, director-general of the **European Space Agency** since 1990, as its new chief.
- **Continental AG** said an agreement with workers and cost cuts at the company's flagship factory near Hannover would reduce annual costs by 35 million DM. *Bloomberg, Reuters, AFP*

Bonn Checks Deutsche Telekom

Reuters

BONN — The German government ruled Tuesday in favor of Deutsche Telekom AG's rivals, ordering the phone monopoly to provide an offer to its competitors for so-called unbundled interconnection by July 14.

The decision came as a result of a regulatory complaint by Mannesmann Arcor, O.Tel.O — the joint venture of RWE AG and VEBA AG — and NetCologne, a city carrier. All charged that Telekom was not offering full access for rivals to its local networks.

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100	Level	Change	% change	year to date % change
World Index	175.50	+0.71	+0.41	+17.67
Regional Indexes				
Asia/Pacific	131.40	-1.94	-1.45	+6.46
Europe	182.07	+2.75	+1.53	+12.95
N. America	202.21	-0.18	-0.09	+24.89
S. America	174.31	+2.94	+1.72	+52.33
Industrial Indexes				
Capital goods	216.24	-0.70	-0.32	+26.52
Consumer goods	197.10	+0.33	+0.17	+22.10
Energy	195.70	+4.37	+2.28	+14.64
Finance	132.65	-0.46	-0.35	+13.90
Miscellaneous	177.53	+0.53	+0.30	+9.74
Raw Materials	189.47	+2.05	-1.09	+8.03
Service	165.55	+1.39	+0.85	+20.56
Utilities	175.10	+2.41	-1.40	+22.05

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News

WORLD STOCK MARKETS

Tuesday, July 1

Prices in local currencies.
Telekurs

Markets Closed

The Bangkok, Hong Kong, Montreal, Taipei and Toronto stock markets were closed Tuesday for a holiday.

Amsterdam

AEX index: 871.31
Previous: 861.55

	High	Low	Close	Prev.
ABN-AMRO	37.20	36.60	37.10	36.60
Aegon	139.30	137.60	138.50	137
Ahold	167	165.80	166.50	165.60
Akzo Nobel	272.80	270.50	272	269
Baan Co.	137.80	133	136.90	133
Bols Wess cva	37.90	37.40	37.70	37.70
CSM cva	98.80	97	97.60	98.40
Dordtsche Pet	110.90	105.90	110.90	105.00
DSM	198.50	195.20	198.10	195.30
Elsevier	33.20	32.70	32.90	32.80
Fortis Amev	89	86.50	88	87.40
Getronics	63.50	62.30	63.20	63.40
G-Broc cva	64.90	64.40	64.80	64.70
Hagemeyer	102	100.10	100.20	101.40
Heineken	343	339	343	335
Hoogovens cva	110.50	109.20	110.30	109.40
Hunt Douglas	169.50	167	169	167
ING Group	91.70	90.30	91.40	90.50
KLM	61.30	60.20	60.30	60.50
KNP BT	45.10	44.60	45	44.70
KPN	78.20	77.70	77.80	77
Nedlloyd Gp	57.30	56.50	56.70	56.70
Nutricia	313	309.20	313	310
Oce Grinten	254	249.70	252	253.20
Philips Elec	141.50	137.10	137.20	140.60
Polygram	106.80	104.40	105.60	103
Randstad Hdg	209.90	206.50	209.10	207
Robeco	186.70	185.80	185.90	185.50
Rodamco	66.20	65.30	66.10	65.50
Rolinco	189.10	189.10	189.10	188.30
Rorento	114.50	114.20	114.40	113.70
Royal Dutch	107	104.3	106.7	416
Unilever cva	423.50	418.20	423.30	413.20
Vendex Intl	110.30	107.70	110.40	107.50
VNU	44.50	43.20	44.10	43.40
Wolters Kl	243	238.60	240.80	239

Bombay

Sensex 30 index: 4308.86
Previous: 4254.09

	High	Low	Close	Prev.
Bajaj Auto	940	922.75	930	921
Hindus Lever	1454	1425	1451.75	1439.50
Hindus Petrlm	460	450	453.25	454
Ind Dev Bk	107.50	100.50	105.25	102.25
ITC	568	549	556	562.75
Mahanagar Tel	307	297.50	300	303.75
Reliance Ind	376	368	369.50	371.75
State Bank Ind	351	340.75	350	340.25
Steel Authority	20.75	19.50	20.50	20.50
Tata Eng Loco	460	449	452.75	452

Brussels

BEL-20 index: 2408.40
Previous: 2380.78

	High	Low	Close	Prev.
Almanij	16650	16300	16650	16350
Barco	7340	7260	7240	7290
BBL	9100	8990	9040	9100
CBR	3320	3270	3320	3300
Colruyt	18250	17550	18200	17550
Delhaize Lion	1905	1880	1900	1890
Electrabel	7750	7670	7750	7710
Electrafina	3680	3640	3680	3630
Fortis AG	7540	7360	7540	7430
Gevaert	3380	3320	3380	3390
GIB	6080	6010	6080	6030
Gen Banque	14025	13750	14025	13850
Kredietbank	14875	14325	14750	14500
Petrofina	13775	13450	13775	13625
Powerfin	4950	4910	4943	4940
Royale Belge	10675	10400	10625	10450
Soc Gen Belg	3445	3355	3390	3360
Solvay	21500	20700	21500	21200
Tractebel	15000	14825	14975	15000
UCB	116000	114000	116000	114000

Copenhagen

Stock index: N.A.
Previous: 588.42

	High	Low	Close	Prev.
Bikuben	372	363	367	367
Carlsberg B	367	363	365	366
Codan	880	875	875	870
Danisco	416	354	410	406
Den Danske Bk	670	642	670	646
D/S Svendborg B	353282	347000	353000	343000
D/S 1912 B	246000	240000	245000	237500
FLS Ind B	231	224	231	225
Kbh Lufthavne	715	709.22	715	704.40
Novo Nordisk B	728	723	725	724
Sophus Ber B	986	962.59	986	963
Tele Danmark B	349	344	347	345
Tryg Baltica	356	349	352	355
Unidanmark A	383	372	382	373

Frankfurt

DAX: 3819.85
Previous: 3785.77

	High	Low	Close	Prev.
AMB B	1550	1535	1540	1531
Adidas	194	191	192	193
Allianz Hdg	369	365	369	365
Altana	189.50	187.50	187.80	186
Bk Berlin	36.90	36.65	36.65	36.50
BASF	66.60	65.52	66.06	64.45
Bayer Hypo Bk	52.45	51.95	52.29	52.15
Bay.Vereinsbank	73	71.30	72.40	71.30
Bayer	70.48	68.75	70.30	67.02
Beiersdorf	92.30	88.50	91.20	90
Bewag	40	39.99	39.99	40
BMW	1445	1415	1419	1443
CKAG Colonia	164	164	164	161
Commerzbank	49.30	49.10	49.15	49.40
Daimler Benz	142.70	141.70	142.50	141.50
Degussa	92.50	91.70	91.70	92.30
Deutsche Bank	102.70	101.80	102.05	101.90
Deut Telekom	42.15	41.20	42.15	42
Dresdner Bank	61.25	60.60	61.25	60.30
Fresenius	362	359	362.50	360
Fresenius Med	153.20	152.20	152.50	154
Fried. Krupp	339.90	338	339.50	341
Gehe	121	119.80	119.80	119
Heidelbg Zmt	167.50	167.50	167.50	165
Henkel pfd	98.50	97.10	97.40	99
HEW	478	465	475	465
Hochtief	79	77	78.70	78
Hoechst	78.60	76.45	78.30	73.98
Karstadt	637	629	635	621
Lahmeyer	78.70	78.50	78.70	77.70
Linde	1360	1347	1360	1335
Lufthansa	33.20	32.40	32.40	33.45
MAN	541	536	541	537
Mannesmann	777.50	773.50	776.50	777
Metallgesellschaft	36	35.65	35.70	36.30
Metro	193.50	191.10	193	191.10
Munch Rueck R	4920	4830	4845	4890
Preussag	515	512	514	510.50
RWE	74.90	74.50	74.85	75
SAP pfd	350	346.50	349	350
Schering	190.40	187.50	189.95	186.35
SGL Carbon	243.40	239	243.40	238.80
Siemens	104.50	103.25	104.40	103.55
Springer (Axel)	1525	1525	0.00	0.00
Suedzucker	1525	1520	1525	1545
Thyssen	417.50	415.70	416.30	413
Veba	99.40	98.20	99.40	98
VEW	570	565	565	562
Viag	804.50	800	802	793
Volkswagen	1333	1325	1330.50	1337

Helsinki

HEX General index: 3229.35
Previous: 3207.50

	High	Low	Close	Prev.
Enso A	47.90	47.70	47.70	47.90
Huhtamaki I	225	223	225	223.50
Kemira	51.50	49.50	51.50	49
Kesko	75.50	73.90	75.30	73.20
Merita A	18.10	17.20	18.10	17.30
Metra B	157.50	156.50	156.70	156.50
Metso-Serla B	42.50	41.70	42.50	42.30
Neste	138	137	138	138
Nokia A	387	384	386	387.90
Orion-Yhtymae	199	196	199	196.80
Outokumpu A	104	103	104	103
UPM-Kymmene	123.80	120	123.80	120
Valmet	89.60	88.50	89.20	89.80

Jakarta

Composite index: 731.62
Previous: 724.54

	High	Low	Close	Prev.
Astra Intl	7975	7900	7900	8000
Bk Intl Indon	2125	2100	2100	2100
Bk Negara	1575	1550	1575	1550
Gudang Garm	10225	10050	10050	10200
Indocement	3800	3725	3775	3775
Indofood	5650	5625	5625	5600
Indosat	7600	7275	7475	7275
Sampoerna HM	9775	9375	9775	9225
Semen Gresik	5575	5475	5525	5450
Telekomunikasi	4100	3975	4075	3975

Johannesburg

All Market: 7428.12
Previous: 7419.98

	High	Low	Close	Prev.
Amalgamtd Bks.	32.80	32.55	32.55	32.55
AngloAm Coal	279	279	279	279
AngloAm-Corp	273.50	272.75	273.25	273.25
AngloAm Gold	272	268.75	273.50	273.50
AngloAm Ind	199	197	199	199
AVMIN	16.10	15.50	16.10	16.10
Barlow	49.60	49	49.35	49.35
C.G. Smith	25.25	24.90	25.30	25.30
De Beers	167.50	167	167.50	167.50
Driefontein	30.75	30.40	30.50	30.50
Fst Natl Bk	39.25	38.80	39	39
Gencor	21	20.80	20.90	20.90
GFSA	107	105.50	107	107
Imperial Hdgs	65	64.25	64.50	64.50
Ingwe Coal	28.60	28	29	29
Iscor	3.01	2.97	3	3
Johnnies Indl	60	58.25	58.75	58.75
Liberty Hdgs	330.50	329	330	330
Liberty Life	124.50	122.50	123	123
LibLife Strat	18.50	17.50	17.80	17.80
Minorco	104.75	104	105.25	105.25
Nampak	19.90	19.50	19.70	19.70
Nedcor	101	100.50	100.50	100.50
Rembrandt Gp	48.50	48	48.40	48.40
Richemont	69	66.50	66.75	66.75
Rust Platinum	83	80	83	83
SA Breweries	140	138.75	139.25	139.25
Samancor	45	45	45.50	45.50
Sasol	59.50	59	59.50	59.50
SBIC	223	223	223	223
Tiger Oats	81	80	80	80

Kuala Lumpur

Composite: 1078.90
Previous: 1077.30

	High	Low	Close	Prev.
AMMB Hdgs	15.90	15.70	15.80	15.70
Genting	12.20	12.10	12.10	12.10
Mal Banking	26.75	26	26.50	26.50
Mal Intl Ship F	6.75	6.50	6.75	6.55
Petronas Gas	9.10	8.95	9.10	9.20
Proton	11.90	11.70	11.80	11.80
Public Bk	4.06	3.84	4	3.94
Renong	3.34	3.30	3.32	3.30
Resorts World	7.70	7.55	7.65	7.60
Rothmans PM	24.80	24.70	24.80	24.80
Sime Darby	8.35	8.25	8.30	8.40
Telekom Mal	12.20	11.80	12.20	11.80
Tenaga	12.30	12.20	12.30	12.30
Utd Engineers	18.20	18.10	18.20	18.20
YTL	7.80	7.70	7.75	7.80

London

FT-SE 100: 4728.30
Previous: 4684.60

	High	Low	Close	Prev.
Abbey Natl	8.50	8.15	8.45	8.20
Allied Domecq	4.38	4.30	4.34	4.32
Anglian Water	7.20	6.54	6.79	6.52
Argos	5.57	5.37	5.55	5.48
Asda Group	1.28	1.23	1.25	1.24
Assoc Br Foods	5.31	5.18	5.31	5.19
BAA	5.59	5.43	5.51	5.54
Barclays	12.35	11.82	12.16	11.92
Bass	7.47	7.28	7.34	7.33
BAT Ind	5.50	5.33	5.45	5.38
Bank Scotland	4.08	3.78	3.92	3.84
Blue Circle	4.30	4.20	4.25	4.28
BOC Group	10.62	10.41	10.59	10.45
Boots	7.18	7.01	7.15	7.04
BPB Ind	3.28	3.20	3.21	3.25
Brit Aerosp	13.42	13.23	13.26	13.37
Brit Airways	6.97	6.85	6.97	6.85
BG	2.35	2.20	2.34	2.21
Brit Land	5.81	5.67	5.71	5.66
Brit Petm	7.57	7.46	7.52	7.47
BSkyB	4.42	4.26	4.26	4.40
Brit Steel	1.51	1.48	1.49	1.49
Brit Telecom	4.55	4.43	4.49	4.46
BTR	2.13	2.03	2.10	2.06
Burmah Castrol	10.30	10.15	10.28	10.18
Burton Gp	1.19	1.17	1.18	1.18
Cable Wireless	5.99	5.51	5.60	5.53
Cadbury Schw	5.41	5.27	5.36	5.36
Carlton Comm	5.17	5	5.16	5.08
Comml Union	6.63	6.28	6.48	6.32
Compass Gp	6.76	6.70	6.70	6.74
Courtaulds	3.42	3.36	3.39	3.38
Dixons	4.81	4.65	4.79	4.67
Electrocomponents	4.50	4.47	4.47	4.49
EMI Group	10.90	10.68	10.70	10.78
Energy Group	6.49	6.36	6.37	6.41
Enterprise Oil	6.80	6.71	6.79	6.75
Fam Colonial	1.66	1.64	1.66	1.64
Genl Accident	9.05	8.73	9.05	8.77
GEC	3.63	3.57	3.59	3.59
GKN	10.35	10.16	10.17	10.35
Glaxo Wellcome	14.07	12.39	12.72	12.40
Granada Gp	8.01	7.67	7.98	7.90
Grand Met	6	5.60	5.90	5.82
GRE	2.75	2.68	2.73	2.70
Greenalls Gp	4.47	4.40	4.42	4.44
Guinness	6	5.85	5.99	5.88
GUS	6.16	6.04	6.14	6.08
Hays	5.76	5.70	5.76	5.71
HSBC Hldgs	18.62	17.76	18.61	17.80
ICI	8.47	8.34	8.45	8.36
Impl Tobacco	3.90	3.85	3.87	3.87
Kingfisher	7.04	6.78	6.99	6.82
Ladbroke	2.48	2.33	2.47	2.35
Land Sec	8.67	8.46	8.59	8.48
Lasmo	2.66	2.59	2.63	2.60
Legal Genl Grp	4.27	4.04	4.27	4.06
Lloyds TSB Gp	6.58	6.10	6.44	6.16
LucasVarity	2.09	2.01	2.04	2.08
Marks Spencer	5.09	4.95	5.06	4.98
MEPC	4.93	4.87	4.90	4.93
Mercury Asset	12.62	12.29	12.46	12.31
National Grid	2.34	2.17	2.33	2.20
Natl Power	5.43	5.21	5.41	5.22
NatWest	8.58	8.03	8.43	8.07
Next	6.81	6.70	6.77	6.79
Norwich Union	3.34	3.18	3.26	3.20
Orange	2.04	1.98	2.03	1.99
P&O	6.15	5.98	6.09	6
Pearson	7.02	6.92	6.96	6.96
Pilkington	1.38	1.34	1.37	1.37
PowerGen	7.35	7.14	7.26	7.15
Premier Farnell	4.70	4.63	4.63	4.69
Prudential	5.97	5.78	5.97	5.82
Railtrack Gp	6.39	6.23	6.36	6.26
Rank Group	3.82	3.72	3.73	3.81
Reckitt Colm	9.14	8.90	8.99	8.96
Redland	3.42	3.33	3.34	3.41
Reed Intl	5.87	5.33	5.81	5.82
Rentokil Initial	2.21	2.10	2.18	2.11
Reuters Hldgs	6.37	6.26	6.35	6.33
Rexam	2.58	2.52	2.56	2.54
RMC Group	9.77	9.65	9.75	9.76
Rolls Royce	2.36	2.23	2.33	2.30
Royal Bk Scot	5.85	5.51	5.82	5.60
RTZ reg	10.69	10.42	10.63	10.47
Royal & Sun All	4.65	4.41	4.55	4.43
Safeway	3.56	3.47	3.54	3.48
Sainsbury	3.70	3.36	3.67	3.65
Schroders	16.43	16.25	16.40	16.41
Scot Newcastle	6.60	6.43	6.58	6.47
Scot Power	4.15	3.90	4.11	3.91
Securicor	2.89	2.85	2.88	2.85
Severn Trent	8.13	7.75	7.94	7.78
Shell Transp R	4.32	4.09	4.30	4.10
Siebe	10.25	10.16	10.24	10.17
Smith Nephew	1.68	1.66	1.67	1.67
SmithKline	11.50	11	11.17	11.06
Smiths Ind	7.82	7.67	7.77	7.70
Sthern Elec	4.55	4.40	4.48	4.44
Stagecoach	6.35	6.33	6.35	6.34
Stand Charter	9.40	9.13	9.35	9.16
Tate & Lyle	4.52	4.45	4.49	4.47
Tesco	3.76	3.68	3.75	3.70
Thames Water	7.30	6.90	7.09	6.94
3i Group	5.07	4.97	5.03	4.99
TI Group	5.25	5.15	5.19	5.24
Tomkins	2.64	2.58	2.63	2.60
Unilever	17.62	17.18	17.46	17.22
Utd Assurance	4.31	4.27	4.28	4.28
Utd News	7.07	6.92	7.07	6.97
Utd Utilities	6.93	6.58	6.86	6.61
Vendome Lx uts	4.54	4.43	4.53	4.44
Vodafone	2.98	2.91	2.95	2.93
Whitbread	7.63	7.53	7.60	7.59
Williams Hdgs	3.28	3.22	3.24	3.23
Wolseley	4.69	4.62	4.67	4.69
WPP Group	2.45	2.41	2.41	2.47
Zeneca	20.25	18.83	19.87	19.86

Madrid

Bolsa index: 608.58
Previous: 608.62

	High	Low	Close	Prev.
Acerinox	27950	27550	27900	27610
ACESA	1975	1940	1975	2000
Aguas Barcelon	6150	5900	6130	6030
Argentaria	8400	8250	8380	8250
BBV	12120	11960	12120	11970
Banesto	1490	1475	1485	1485
Bankinter	26290	26040	26290	26000
Bco Centro Hisp	5480	5370	5480	5390
Bco Popular	37000	36050	37000	36100
Bco Santander	4630	4540	4585	4540
CEPSA	5000	4900	4935	5000
Continente	3300	3180	3240	3305
Corp Mapfre	7850	7750	7840	7840
Endesa	12920	12390	12920	12370
FECSA	1380	1345	1375	1405
Gas Natural	32700	31860	32700	32190
Iberdrola	1850	1805	1845	1860
Pryca	3200	3110	3190	3190
Repsol	6320	6250	6300	6230
Sevillana Elec	1515	1490	1500	1520
Tabacalera	8000	7800	8000	7970
Telefonica	4315	4250	4315	4260
Union Fenosa	1305	1290	1300	1340
Valenc Cement	2415	2385	2400	2375

Manila

PSE index: 2815.54
Previous: 2809.21

	High	Low	Close	Prev.
Ayala B	19.25	19	19	19
Ayala Land	24.50	24.25	24.50	24.25
Bk Philip Isl	168	166	167	168
C&P Homes	10	9.90	10	9.90
Manila Elec A	86.50	86	86.50	87
Metro Bank	570	545	570	560
Petron	6.80	6.70	6.80	6.70
PCIBank	255	252.50	252.50	255
Phil Long Dist	870	855	870	855
San Miguel B	68	67	67.50	69.50
SM Prime Hdg	7.80	7.70	7.70	7.80

Mexico

Bolsa index: 4513.84
Previous: 4457.97

	High	Low	Close	Prev.
Alfa A	54.50	54.00	54.30	54.20
Banacci B	21.15	20.55	20.90	20.40
Cemex CPO	34.80	34.20	34.70	34.50
Cifra C	12.80	12.64	12.78	12.70
Emp Modema	44.00	42.10	43.90	42.25
Gpo Carso A1	56.00	55.20	56.00	55.50
Gpo F Bcomer	2.42	2.33	2.42	2.30
Gpo Fin Inbursa	33.80	33.40	33.40	33.80
Kimb Clark Mex	32.85	31.70	32.85	32.00
Televisa CPO	121.60	120.40	121.60	121.00
TelMex L	19.22	18.94	19.20	19.02

Milan

MIB Telematico: 13477.00
Previous: 13183.00

	High	Low	Close	Prev.
Alleanza Assic	13500	13275	13475	13355
Bca Comm Ital	3735	3540	3690	3520
Bca Fideuram	5565	5400	5565	5555
Bca di Roma	1275	1240	1275	1260
Benetton	28650	26950	28650	27150
Credito Italiano	3315	3110	3305	3110
Edison	8595	8330	8595	8455
ENI	9850	9605	9850	9625
Fiat	6305	6090	6300	6120
Generali Assic	31450	30600	31450	30900
IMI	15590	15165	15580	15300
INA	2580	2515	2565	2590
Italgas	5500	5310	5465	5500
Mediaset	7275	7150	7200	7215
Mediobanca	10700	10280	10780	10320
Montedison	1149	1126	1147	1122
Olivetti	489	480	489	481.50
Parmalat	2470	2385	2465	2405
Pirelli	4385	4220	4365	4210
RAS	13755	13550	13756	13450
Rolo Banca	21950	21100	21200	21100
S Paolo Torino	12780	12150	12700	12390
Stet	10070	9735	10055	9900
Telecom Italia	5565	5390	5535	5090
TIM	5645	5445	5615	5500

Oslo

OBX index: 657.69
Previous: 650.06

	High	Low	Close	Prev.
Aker A	145.50	143.50	145.50	144
Bergesen Dy A	174.50	174	174	173.50
Christiania Bk	25.20	24.90	25.20	25
Den norske Bk	28.70	28.40	28.50	28.70
Elkem	145	144	144.50	143.50
Hafslund A	44.50	43.80	43.80	44
Kvaerner Asa	447	441	447	443.50
Norsk Hydro	402	397	397	399
Norske Skog A	255	254	255	252.50
Nycomed A	135	124	132.50	108
Orkla Asa A	543	538	543	541
Petlm GeoSvc	355	352	352	353
Saga Petlm A	141.50	139.50	141.50	139
Schibsted	145	143	143	145
Transocean Off	528	525	528	505
Storebrand Asa	44	43.20	43.40	43.70

Paris

CAC-40: 2944.04
Previous: 2858.26

	High	Low	Close	Prev.
Accor	920	886	915	880
AGF	190.60	187.20	188	187.80
Air Liquide	956	936	956	933
Alcatel Alsth	775	738	775	736
Axa-UAP	370	365.20	370	365.50
Bancaire	780	753	780	750
BIC	978	962	976	961
BNP	247.30	241.50	243.80	242.20
Canal Plus	1207	1145	1207	1144
Carrefour	4397	4287	4393	4268
Casino	293	285.10	290.90	290.90
CCF	258	251	257	249
Cetelem	741	724	724	739
Christian Dior	981	970	977	970
CLF-Dexia Fran	583	572	579	572
Credit Agricole	1251	1251	1251	1251
Danone	990	967	990	971
Elf-Aquitaine	651	635	650	634
Eridania BS	910	888	908	880
Eurodisney	9.20	9.05	9.05	9.15
Eurotunnel	7.05	6.60	6.90	6.45
Gen. Eaux	765	744	755	753
Havas	443	424.10	443	423.50
Imetal	802	762	762	779
Lafarge	381	367.20	381	365.50
Legrand	1083	1041	1070	1035
L'Oreal	2606	2457	2584	2476
LVMH	1607	1582	1599	1580
Lyon. Eaux	625	590	621	592
Michelin B	379	357	378.10	352.90
Paribas A	411.80	404.50	411.60	406
Pernod Ricard	311	305.30	310.30	303
Peugeot Cit	580	567	578	568
Pinault-Print	2874	2818	2831	2824
Promodes	2408	2316	2394	2289
Renault	154.10	148	154	148.70
Rexel	1820	1753	1819	1804
Rh-Poulenc A	252	238.50	251.90	240
Sanofi	600	580	599	576
Schneider	332.50	315	331.90	312.80
SEB	1030	1009	1012	1030
SGS Thomson	499.80	470	499.80	464
Ste Generale	677	660	667	656
Sodexho	2997	2963	2963	3009
St Gobain	880	851	874	857
Suez	15.15	14.30	15.05	14.45
Synthelabo	765	751	758	765
Thomson CSF	159.40	153.30	158.80	151.40
Total B	623	596	620	594
Usinor	108.30	102.60	104.90	106
Valeo	379	368.90	376.60	365

São Paulo

Bovespa index: 12894.40
Previous: 12567.60

	High	Low	Close	Prev.
Bradesco Pfd	10.95	10.75	10.90	10.85
Brahma Pfd	829.99	814.00	814.00	820.00
Cemig Pfd	57.00	55.50	56.40	55.50
CESP Pfd	74.90	73.47	74.60	72.00
Copel	19.40	18.80	18.990	18.50
Eletrobras	625.00	603.00	618.00	602.00
Itaubanco Pfd	625.01	607.35	620.00	603.00
Light Servicos	565.01	537.00	565.00	535.74
Lightpar	435.00	427.00	434.00	429.00
Petrobras Pfd	305.09	300.00	303.50	299.01
Paulista Luz	192.80	181.00	186.00	181.00
Sid Nacional	36.00	35.50	35.99	35.50
Souza Cruz	11.40	11.08	11.08	11.35
Telebras Pfd	168.80	163.00	168.60	163.30
Telemig	193.50	191.00	193.50	190.50
Telerj	167.00	163.51	166.00	166.00
Telesp Pfd	358.00	353.00	355.00	351.50
Unibanco	39.50	39.30	39.40	39.49
Usiminas Pfd	12.40	11.99	12.20	11.99
CVRD Pfd	24.30	23.80	24.15	23.81

Seoul

Composite index: 758.03
Previous: 745.40

	High	Low	Close	Prev.
Dacom	100000	96500	97500	96200
Daewoo Heavy	7800	7300	7650	7300
Hyundai Eng.	23700	23600	23500	22800
Kia Motors	15200	14400	15000	14500
Korea El Pwr	26900	26200	26400	26500
Korea Exch Bk	6300	5800	6100	5850
Korea Mob Tel	475000	455000	471000	457000
LG Semicon	37200	34000	36400	34600
Pohang Iron St	67000	63000	66000	63600
Samsung Display	48500	46100	48000	46100
Samsung Elec	72000	70500	71000	70500
Shinhan Bank	11200	10900	11000	11000

Singapore

Straits Times: 1981.28
Previous: 1987.95

	High	Low	Close	Prev.
Asia Pac Brew	5.80	5.80	5.80	5.70
Cerebos Pac	6.50	6.40	6.45	6.50
City Devlts	14.10	13.90	14	14
Cycle Carriage	14.90	14.70	14.80	14.80
Dairy Farm Intl *	0.76	0.75	0.75	0.75
DBS foreign	18.50	18.20	18.40	18
DBS Land	4.52	4.46	4.48	4.52
Fraser & Neave	10.20	9.90	9.95	10.20
HK Land *	2.68	2.62	2.63	2.66
Jard Mathesn *	7.25	7.20	7.20	7.10
Jard Strategic *	3.78	3.76	3.76	3.78
Keppel A	6.40	6.20	6.40	6.20
Keppel Bank	3.70	3.62	3.66	3.68
Keppel Fels	4.86	4.80	4.84	4.84
Keppel Land	3.82	3.78	3.80	3.80
OCBC foreign	14.80	14.70	14.80	14.80
OS Union Bk F	8.95	8.90	8.95	8.90
Parkway Hdgs	6.60	6.40	6.40	6.40
Sembawang	6.55	6.50	6.50	6.50
Sing Air foreign	13	12.90	12.90	12.80
Sing Land	6.50	6.45	6.50	6.50
Sing Press F	28.90	28.70	28.80	28.80
Sing Tech Ind	3.74	3.68	3.68	3.68
Sing Telecomm	2.72	2.59	2.71	2.63
Tat Lee Bank	3.02	3	3	3.04
Utd Industrial	1.08	1.06	1.06	1.08
Utd OSea Bk F	15	14.70	14.90	14.70
Wing Tai Hdgs	4.18	4.14	4.18	4.12

*: in U.S. dollars.

Stockholm

SX 16 index: 3292.75
Previous: 3270.91

	High	Low	Close	Prev.
AGA B	104	103	103.50	103
ABB A	110	108	109.50	108.50
AssiDoman	221	218.50	220	220
Astra A	146	143	145.50	144
Atlas Copco A	208	201	208	202
Autoliv	306	302	305.50	297.50
Electrolux B	564	558	564	558
Ericsson B	307	303.50	304.50	304.50
Hennes B	272	268	272	272
Incentive A	704	700	701	700
Investor B	409	404	407.50	407.50
MoDo B	254	250	251.50	254
Nordbanken	265	257	263	261
Pharm/Upjohn	269	264	269	261
Sandvik B	222	218.50	222	219.50
Scania B	235	231	233.50	236
SCA B	164.50	162.50	164	162
S-E Banken A	84.50	83	84	83.50
Skandia Fors	287	284.50	286	285
Skanska B	341.50	337	341	342
SKF B	205.50	199	205.50	200
Sparbanken A	169	166	166.50	172
Stadshypotek A	N.T.	N.T.	N.T.	190
Stora A	129	126	128.50	125
Sv Handles A	250.50	246	250.50	246
Volvo B	208	205.50	207	207

Sydney

All Ordinaries: 2721.20
Previous: 2725.90

	High	Low	Close	Prev.
Amcor	8.83	8.71	8.71	8.80
ANZ Bking	9.90	9.74	9.86	9.90
BHP	19.54	19.23	19.52	19.48
Boral	4.17	4.08	4.12	4.17
Brambles Ind.	26.52	25.90	26.25	26.19
CBA	15.90	15.70	15.84	16
CC Amatil	17.40	16.90	16.90	17.20
Coles Myer	6.90	6.79	6.79	6.89
Comalco	7.20	7.10	7.11	7.15
CSR	5.17	5.05	5.14	5.13
Fosters Brew	2.47	2.45	2.45	2.46
Goodman Fld	1.95	1.90	1.90	1.95
ICI Australia	13.20	13	13	13.05
Lend Lease	28.31	27.76	28.29	28
MIM Hdgs	1.96	1.92	1.95	1.96
Nat Aust Bank	19.02	18.71	19.02	18.97
Nat Mutual Hdg	2.18	2.08	2.16	2.14
News Corp	6.51	6.32	6.47	6.35
Pacific Dunlop	3.90	3.82	3.82	3.92
Pioneer Intl	5.20	5	5.16	5.12
Pub Broadcast	7.71	7.60	7.70	7.63
Rio Tinto	22.52	22.35	22.47	22.58
St George Bank	8.84	8.73	8.74	8.81
WMC	8.38	8.27	8.36	8.35
Westpac Bking	7.96	7.84	7.91	7.97
Woodside Pet	11.48	11.30	11.40	11.40
Woolworths	4.35	4.26	4.33	4.35

Tokyo

Nikkei 225: 20175.52
Previous: 20604.96

	High	Low	Close	Prev.
Ajinomoto	1220	1190	1190	1230
All Nippon Air	747	731	731	735
Amway	3990	3820	3950	3880
Asahi Bank	965	931	932	975
Asahi Chem	685	670	671	685
Asahi Glass	1140	1120	1120	1140
Bk Tokyo Mitsu	2280	2220	2240	2300
Bk Yokohama	654	642	654	645
Bridgestone	2680	2590	2590	2660
Canon	3120	3070	3080	3120
Chubu Elec	2070	2050	2060	2070
Chugoku Elec	2030	2000	2000	2020
Dai Nipp Print	2580	2520	2530	2590
Daiei	750	735	738	735
Dai-Ichi Kang	1550	1530	1530	1560
Daiwa Bank	569	546	549	543
Daiwa House	1390	1360	1360	1400
Daiwa Sec	914	897	903	904
DDI	8430a	8260a	8330a	8460a
Denso	2830	2740	2760	2740
East Japan Ry	5850a	5730a	5800a	5880a
Eisai	2150	2130	2150	2170
Fanuc	4350	4250	4280	4400
Fuji Bank	1700	1640	1650	1720
Fuji Photo	4630	4530	4530	4610
Fujitsu	1590	1550	1560	1590
Hachijuni Bk	1160	1120	1120	1160
Hitachi	1290	1250	1280	1280
Honda Motor	3410	3370	3370	3450
IBJ	1780	1710	1720	1780
IHI	454	442	442	450
Itochu	617	600	602	617
Ito-Yokado	6660	6520	6650	6650
JAL	535	525	530	521
Japan Tobacco	8960a	8880a	8880a	9050a
Jusco	3850	3800	3830	3870
Kajima	684	660	662	671
Kansai Elec	2200	2160	2170	2210
Kao	1600	1580	1580	1590
Kawasaki Hvy	533	513	517	533
Kawa Steel	370	362	366	373
Kinki Nipp Ry	698	693	693	700
Kirin Brewery	1190	1160	1160	1190
Kobe Steel	219	213	215	219
Komatsu	933	911	913	930
Kubota	561	551	552	561
Kyocera	9100	8990	9010	9100
Kyushu Elec	1980	1970	1970	1970
LTCB	497	485	490	495
Marubeni	518	502	503	520
Marui	2170	2090	2100	2130
Matsu Comm	3930	3880	3900	3870
Matsu Elec Ind	2300	2260	2270	2310
Matsu Elec Wk	1300	1280	1280	1300
Mitsubishi	1440	1370	1380	1430
Mitsubishi Ch	369	358	362	374
Mitsubishi El	648	641	643	641
Mitsubishi Est	1660	1630	1640	1660
Mitsubishi Hvy	879	867	870	879
Mitsubishi Mat	822	811	815	820
Mitsubishi Tr	1800	1750	1760	1810
Mitsui	1100	1080	1080	1100
Mitsui Fudosn	1570	1530	1530	1580
Mitsui Trust	855	840	840	865
Murata Mfg	4580	4420	4450	4520
NEC	1560	1530	1540	1600
Nikon	1920	1870	1870	1930
Nikko Sec	715	696	707	705
Nintendo	9490	9300	9370	9580
Nipp Express	915	900	902	915
Nippon Oil	640	625	635	627
Nippon Steel	366	356	357	366
Nissan Motor	877	852	855	899
NKK	243	238	242	246
Nomura Sec	1580	1540	1550	1580
NTT	11006	10806	10906	11006
NTT Data	4520b	4440b	4500b	4430b
Oji Paper	700	690	691	709
Osaka Gas	328	325	328	329
Ricoh	1510	1480	1490	1500
Rohm	11700	11500	11500	11600
Sakura Bk	875	851	864	878
Sankyo	3890	3760	3840	3850
Sanwa Bank	1700	1650	1650	1700
Sanyo Elec	510	499	507	514
Secom	8400	8340	8350	8410
Seibu Rwy	5780	5540	5550	5760
Sekisui Chem	1170	1150	1170	1160
Sekisui House	1190	1170	1170	1160
Seven-Eleven	8650	8450	8550	8660
Sharp	1570	1540	1540	1580
Shikoku El Pwr	1950	1940	1950	1950
Shimizu	697	667	670	687
Shin-etsu Ch	3040	3000	3020	3040
Shiseido	1880	1850	1860	1890
Shizuoka Bk	1300	1260	1300	1310
Softbank	7360	7280	7330	7330
Sony	10000	9900	9930	9990
Sumitomo	1080	1050	1060	1090
Sumitomo Bk	1880	1830	1830	1880
Sumit Chem	517	506	508	519
Sumitomo Elec	1930	1900	1910	1920
Sumit Metal	324	317	319	326
Sumit Trust	1220	1190	1200	1230
Taisho Pharm	3070	2970	3020	3090
Takeda Chem	3210	3170	3180	3220
TDK	8610	8450	8460	8410
Tohoku El Pwr	2040	2000	2000	2040
Tokai Bank	1170	1140	1140	1180
Tokio Marine	1490	1440	1440	1500
Tokyo El Pwr	2400	2380	2380	2410
Tokyo Electron	5610	5470	5570	5480
Tokyo Gas	319	315	315	318
Tokyu Corp.	695	681	681	711
Tonen	1360	1290	1310	1380
Toppan Print	1800	1770	1770	1800
Toray Ind	824	810	814	817
Toshiba	735	724	726	737
Tostem	3130	3040	3040	3170
Toyo Trust	965	940	947	965
Toyota Motor	3350	3290	3330	3380
Yamanouchi	3110	3060	3070	3080

a: x 100; b: x 1,000

Vienna

ATX index: 1339.87
Previous: 1309.78

	High	Low	Close	Prev.
Boehler-Uddeh	980.70	950	980.20	951
Creditanst Pfd	496.10	486.85	486.85	493
EA-Generali	3310	3222	3310	3225
EVN	1627	1580	1610	1580
Flughafen Wien	528.10	518.50	527.80	518
OMV	1620	1570.90	1603.05	1570.90
Oest Elektrz	880	859	878.50	863.75
VA Stahl	572.50	555	568.10	555.50
VA Tech	2315	2250	2302	2244.25
Wienerberg Bau	2595	2500	2595	2519

Wellington

NZSE-40 index: 2490.86
Previous: 2501.96

	High	Low	Close	Prev.
Air N Zealand B	4.50	4.45	4.50	4.50
Brierly Invt	1.44	1.42	1.43	1.44
Carter Holt ord	3.74	3.68	3.70	3.81
Fletch Ch Bldg	4.41	4.34	4.35	4.43
Fletch Ch Eny	4.57	4.45	4.57	4.45
Fletch Ch Forst	2.15	2.13	2.14	2.14
Fletch Ch Paper	3.56	3.48	3.49	3.57
Lion Nathan	3.75	3.71	3.74	3.73
Telecom NZ	7.55	7.43	7.55	7.50
Wilson Horton	N.T.	N.T.	N.T.	11.60

Zurich

SPI index: 3568.46
Previous: 3548.37

	High	Low	Close	Prev.
ABB B	2245	2201	2205	2210
Adecco B	562	546	548	560
Alusuisse R	1520	1493	1516	1512
Ares-Serono B	2235	2120	2205	2115
Alel R	860	860	860	880
Baer Hdg B	2240	2210	2215	2235
Baloise Hdg R	3495	3450	3490	3480
BK Vision	1197	1183	1195	1190
Ciba Spec Chem	135.75	134	135	135
Clariant R	974	945	972	945
Crd Suisse Gp R	193	188	192	187.50
Elektrowatt B	541	540	541	541
Ems-Chemie	6505	6465	6500	6500
ESEC Hdg	4800	4750	4800	4790
Holderbank B	1380	1367	1371	1379
Liechtenst LB B	553	553	553	552
Nestle R	1936	1907	1914	1926
Novartis R	2354	2320	2344	2334
Oerlikn Buehr R	170	168	168	171
Pargesa Hld B	1970	1950	1955	1940
PharmVisn B	840	830	839	835
Richemont A	2240	2153	2240	2110
Pirelli PC	287	282	285	285
Roche Hdg PC	13305	13160	13300	13205
SBC R	398	388.50	393.50	390.50
Schindler PC	1880	1825	1860	1825
SGS B	3145	3050	3055	3120
SMH B	845	829	836	834
Sulzer R	1258	1244	1250	1250
Swiss Reins R	2091	2063	2091	2065
Swissair R	1675	1626	1673	1636
UBS B	1705	1677	1694	1670
Winterthur R	1295	1285	1295	1286
Zurich Assur R	595	587	590	581

صكذا من الاصل

هكذا من الأصل

Men's Fashion

Americans Abroad: U.S. Style Goes Global

Business Sense Pairs Up With Creativity

By Kimberly Cihlar

NEW YORK — American menswear designers are having "a moment." Routing their products to a global customer, many top American designers are racing the clock to open flagship stores in London, Paris, Milan and in Asian destinations from Tokyo to Singapore and Hong Kong.

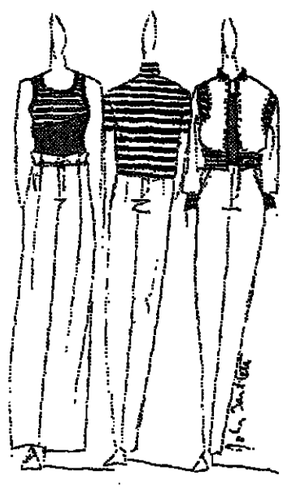
You want to buy Calvin Klein but can't make it to the U.S.? Visit his new store on Avenue Montaigne in Paris. Donna Karan? Find her collection in London on New Bond Street and DKNY on Old Bond Street. She's now even in Melbourne, Australia, and the former East Berlin.

Need the latest Tommy Hilfiger? It will be in his London shop opening in September on Sloane Street. And as Ralph Lauren gets ready to move and expand his London store, he has another in Israel, its doors already spread wide.

Catering to the European and Asian consumer by shrinking the world via namesake retail operations is not the only tactic in vogue. At least two American designers are going straight to the source, deserting the New York show schedule for the Milan circuit.

Calvin Klein is presenting his CK collection at the shows this week in Milan. Attention will also focus on the rising star John Bartlett, who is introducing himself — and his first menswear collection backed by the Italian manufacturing giant Genny Group — to the international press and buyers at the Milan menswear event.

Last season it was Donna Karan New York that hit the runway in Milan. While Karan is back to showing in New York later this month, she was one of the first American designers to be asked to present on the runway at Pitti Uomo's menswear trade show in Florence three years ago. She says she chose to show in Milan "because we are an international brand." Adds Karan, "I have to do as much selling in Europe as in the U.S."



Fresh off Bartlett's sketchpad.

As fashion goes global, American designers seem to be getting more than their share of the traditional 15 minutes of fame. "The American menswear designers today command worldwide respect, a position dominated in the past by the Europeans," says J. Stanley Tucker, vice president/fashion director of Saks Fifth Avenue.

Some cite the media-driven mystique of Hollywood and the music industry for making celebrities out of U.S. designers who dress the stars. Others note the international clout the New York shows now have, and the renaissance that New York City is experiencing.

There's another factor too: American designers are being recognized not only for their artistic creativity, but also for their business acumen.

Take a look at designers like Ralph Lauren, who sold the first shares of his company's new stock last month. Donna Karan and Tommy Hilfiger are also public companies. And selling stock to shareholders means a designer must be ever more business minded.

"A lot of American designers are bottom-line thinkers," says Karan. Even so, it's not easy. She took a bit of flack last month at her first annual stockholders meeting, and now admits, "It takes a tremendous amount of energy to be global."

Tommy Hilfiger knows that going public puts the designer under greater scrutiny. "I think that other designers and other people in the world look to those of us who've gone public," Hilfiger says. "It's a first that we've been looked upon as good business prospects."

David Chu, Nautica's designer and chief executive officer, says the rest of the world is looking at how America reinvents itself.

"U.S. designer sportswear is doing a great job of marketing and packaging itself for the global consumer," says Chu, an Asian transplant to the States — hailing from Taiwan — who designs a highly American looking sportswear collection. "The world is changing; it's much more complicated. What's an American company or a European company today? It's truly international. Today, it's a global collaboration, wherever you want to put the origin."

International companies watching the U.S. designers look for a combination of creativity and business savvy.

"Americans have the idea of business with their feet on the ground," says Donatella Girombelli, head of the Genny Group. "They have in mind what marketing is involved."

In addition to Bartlett, Girombelli's designer stable includes Richard Tyler, an Australian based in the United States, who designs for Byblos, and Rebecca Moses, who has just produced her first menswear line.

Certainly there are other reasons why American menswear designers are being so widely recognized around the world today. Increased travel and broad exposure to the modernity of American culture are a large part of it. So, too, is the world's increasing obsession with casual sportswear.

But why is it an American moment in fashion now? As John Bartlett suggests, "Maybe it's just our turn."

KIMBERLY CIHLAR is a fashion and lifestyle writer based in New York.

Christopher Moss.

Missoni's intricate-knit tank top; Gaultier's matador jacket and tight pants; from Byblos, an elongated-jacket suit with stretch linen sweater.

The Gaultier Look Is Macho, With Attitude

By Suzy Menkes

MILAN — On a rose-strewn stage in a convent courtyard, a French designer stood up for Latin values. The witty, provocative show sent out by Jean Paul Gaultier on a Latino theme was all taut tailoring, tight pants and machismo matador attitude.

As a model handed a red rose to a laughing Giorgio Armani, sitting front row, it set the tone of the spring/summer season. The choice in menswear fashion now is about virility versus simplicity.

On one side are close-to-the-body clothes that are unabashedly for a peacock male and strong colors that sizzle with Mediterranean heat; on the other, simple shapes in graphite colors with original details and modernist materials.

A good show has a synthesis of the two aspects of manliness. And Gaultier, in his first show presented in Milan, pulled that off. For behind the Latin antics — white-painted teeth for a flashing smile, midriff-knotted shirts and Mexican sombreros — was sharp and inventive cutting. For the figure-hugging pants alone there seemed to be a dozen different versions, concluding with Carmencita frills lapping the ankles.

Gaultier's mastery of tailoring was shown as the first models came out in impeccable pin-striped jump suits or in the regular suits, curved gently at the waist and with brightly patterned jacket linings. As things got steamier, the jackets were taut and tiny, caressing the pectorals and glued to the hips; or they were short matador shapes — a sexy version of the familiar bomber jacket.

Ebullient creativity came in large gestures or in tiny details: the raffia-fringed vertical ruffle on a shirt; the lace-effect edging on jeans; the billowing white blouses, or Gaultier's signature matelot top in sheer knit with leather stripes. But why the Spanish theme?

"It stands for an image of man — the Latin macho, and I wanted to play with the flamenco silhouette that seemed right," said Gaultier.

Vivienne Westwood was in the same camp. And "camp" was indeed the word. Although her show of dashing dandies was marginally more restrained and included interesting cuts of jackets and thigh-hugging pants, Westwood insists on trussing up her models with fancy wigs (think of one teased into cuckold's horns), exaggerated bowler hats and square-heeled shoes. The result is frustrating because, while admiring Westwood's imagination and cutting skills, you long for her clothes to make the transition to normality. Only a long-line beige linen suit, worn with a witty rope-knot patterned T-shirt, or a few of the jackets removed from their historical-costume context, could pass, rather than mince, through the real world.

Missoni hits above the belt. Its fashion story is in colorful patterned sweaters and, this season, in shirts of intriguing weights and textures. Shown with simple modern pants, the collection added up to effective male plumage. The range of color and pattern was especially inventive, from the straw-beige sweaters with faded patterns that opened the show through the bright zigzag stitches on a tight tank top to the simplest polo shirt in variegated shades of green.

SO what about fashion's sober side? In his second collection for Byblos, the American-based Richard Tyler was discreet to a fault. Not a blip of drama interrupted the smooth progress of ultralong jackets and sweaters that were soft as putty and superlight. Their proportion to the narrow pants was not always convincing. But in his minimalist collection, Tyler had a resolutely modern eye for fabrics, from the knits in crunchy stretch linen or sheer viscose through supple suedes and iridescent mohair.

Innovative modern style came from Costume Homme. Silver zippers on pant legs and metallic eyelets on sweatshirts gave just the right touch of hi-tech. Colors were shades and textures of gray — with an occasional dash of airy blue. The skill was in the proportion of Eisenhower jacket to low-slung pants and in the judicious choice of fabrics.

Fendi's show starred Quincy Jones, making a guest appearance between representing his magazine Vibe in Milan and working on the music for a new Steven Spielberg movie. Knits were Fendi's strong suit, with beige-and-sand-safari colors and rugged textures suggesting rustic luxury. Leather and suede shirts and pants, and fine footwear, were also luxurious in their lightness and in their finishes.

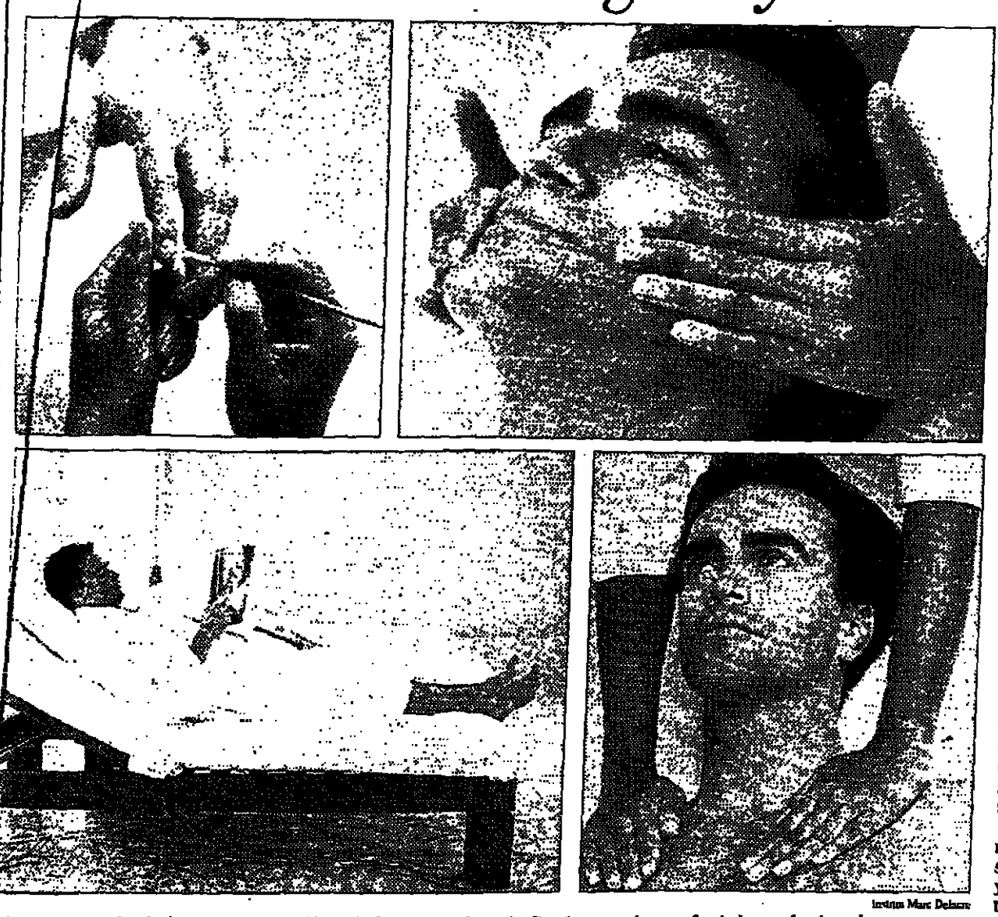
Knitwear generally packs a punch in Milan, with Iceberg showing technological skill in its simple sweaters that had blocks of scarlet bleeding over beige, or abstract geometric effects like modern art painted in white on a dark ground.

A ball rolling down a slide — followed by the careering descent of the male models — was the start of a spunky show from Etro, a fabric house that is giving a youthful spin to its fashions. Everything was easy but dynamic, with shirts worn as jackets and made with tactile textures and in offbeat colors and prints: cottons, madras checks or indigo with tie-dye effects.

As the clothes moved in an energetic way, the show proved what is always a constant for Italian fashion — that a relaxed attitude to the male body makes the most of the clothes.

SUZY MENKES is fashion editor of the International Herald Tribune.

From Shoulder Waxing to Eyelash Tinting, Paris Guys Get Into Grooming



Irvin Marc Delacre

Men can get the full treatment at all-male beauty salons in Paris: manicure, facial, sun bed and massage.

By Alicia Drake

PARIS — Summer is here, the beach beckons and the Parisian man's thoughts turn to getting his chest hair dyed. At least they do if he's a client at the Marc Delacre salon, a sleek hairdressing and beauty institute for men only that is doing brisk business this season in "chest tinting."

It is a treatment favored by those men of a certain age who get the gray hair on their heads tinted throughout the year and who are now heading south to pick up the power yacht at Monte Carlo. For them the concept of lounging around on deck with mismatching chest hair is really not desirable. As Monsieur Delacre tactfully puts it, "It's so much better if everything harmonizes."

We all knew Parisian women are fond of preening, but now it seems that Parisian men are getting that way too. The Hotel Ritz Health Club has a new program developed specifically for men, "Summer Pleasure Days," that offers, beauty, body shaping and anti-stress sessions.

Jean Paul Gaultier Parfums has just introduced a scented self-tanning lotion to its Le Male range. And back at the Delacre salon, the bar/waiting area is lined with business execs, lawyers and television presenters, all dressed in crisp white kimonos and waiting for a manicure, micro-peeling or sun-bed session.

A former head of Alexandre de Paris men's hairdressing, Delacre opened his salon on the Avenue Georges V seven years ago, with beauty treatments intended as a sideline. But beauty and grooming have gradually overtaken hairdressing and now account for 60 percent of salon turnover. This August the salon will close for two weeks to add three more beauty cubicles.

What's behind the trend? Two factors, according to Delacre: Women are becoming more demanding, and male mentality is changing. "Whether you are on Avenue Georges V or down at the local supermarket, males of every social level are preoccupied with their image," he says. "I think of my friends, most of whom are aged 45, married to a younger, second wife and starting a second family. They come to

Mismatching chest hair is seen as really not desirable.

me and say: 'I don't want to look like the grandfather of my children.'"

Image control is high on the agenda over at the French parliament, which has housed a hairdresser since the beginning of the century. Originally a male-only traditional barber, the salon at the Assemblee Nationale now offers scalp treatments, head massage and hairdressing for men and women. "The male deputies in particular are taking much more care and attention about their look now," says the salon's director, Cyrille Ribette, before being whisked away by a legislator impatient for his wash and blow. "It's all down to the pressure of television and media."

Apparently it's the combination of media and women that is driving French men to the beautician.

"At one time in France all a man had to be was rich and witty and he could have any girl he wanted," says Philippe Dumont, owner of the Nickel male beauty salon, which opened in May last year in the Marais district. "But over the last two years there's been a complete media explosion of the male body. Every advertising poster shows a half-naked man with not a hair on him. A woman switches on the television and she sees the band '2 Be 3,' then looks at the man in her bed and realizes there's a difference." Not only does she realize the difference, but she tells her man to go do something about it.

The real champion of the trend in male beauty, however, has got to be the gay population, which has forged the way in increasing body awareness, flesh exposure and male cosmetic consumption. At Nickel, which specializes in the old-fashioned razor shave plus beauty treatments including eyelash tinting, facials and waxing, the clientele is young, fashionable and 30 percent gay. As was the case with tight T's, beards and Calvin Klein underwear, where gay men lead, straight men will often follow.

But although the taboos surrounding male preening may be fading, your average French man is still going to feel self-conscious about getting his nails done — hence the demand for male only salons.

"Imagine you're a man and you want your shoulders waxed, so you go off to a female salon," says Dumont. "They begin by asking you why you want them waxed in the first place. Next you find yourself dressed in a pale pink gown and standing in line behind a crowd of staring women. Men need their own space."

ALICIA DRAKE is a fashion writer based in Paris.

Comfortably Ambiguous, the Shirt-Jacket Is Born

By Roger Tredre

LONDON — Is it a shirt? Or is it a jacket? This season, menswear designers say it's a little of both: new shirt-jackets that are working overtime to fulfill a double function.

Designers are cutting jackets to look like shirts, and vice versa, as a two-into-one mood sweeps through fashion. Many of the names showing in Milan and Paris have picked up the trend, which could run and run.

The spring-summer '98 collection from SO By Alexander Van Slobbe sets the pace with shirt-jackets in linen and stretch wool. "I use the shape of a shirt to make a jacket," says Van Slobbe, whose Dutch label is four years old.

A shirt-jacket cut to the waist has proved such a strong seller for the Japan-based British designer Nigel Curtiss that he has recycled it in several of his collections. "I like the idea of clothes playing two roles, of clothes being a bit ambiguous," he says.

Another key influence is Belgium's Dries Van Noten, whose shirt-jackets are a hit in stores worldwide.

Designers have focused more of their creative energies on shirts in recent seasons. Sales executives say shirts have assumed greater prominence in many designer collections as a response to the fact that cash-strapped customers are cutting down on jacket purchases.

"The whole accessories part of our business — including shirts — is growing," says Lothar Reiff, creative director of Germany's Hugo Boss. "Men realize that just by changing a shirt, or tie, they can change their whole look."

Even in Britain, where the economy is booming and designer clothing is bouncing back, shirts have continued to outsell jackets. Designers who used to make shirts as an afterthought are pushing them to the fore in response to the heightened interest.

For role models, new companies need look no further than Le Garage, a pioneering French designer label that made shirts chic again. Other design houses, such as Comme des Garcons, launched their own specific shirt label to bring their name to a wider market.

In men's casual wear, funky young labels led by Italy's Diesel and Britain's Burro are saying anything goes in shirt design, using everything from toweling fabrics to photographic prints inspired by the British designer Paul Smith.

Retailers say that by focusing on shirts they are attracting younger customers to designer labels — often those customers who find the price tags on structured jackets beyond their means.

"We're selling a lot of what I call over-shirts that you can sling over a T-shirt," says Peter Sidell, co-owner of The Library, the hot store in west London this season for designer menswear. "They are perfect for the holidays."

Like many retailers across Europe, Sidell has been surprised by the popularity of tight-fit stretch fabric shirts this summer. The rule of thumb among retailers has always been that men are no less vain than women: Put bluntly, they don't appreciate clothes that might reveal those not-so-flat stomachs.

That rule needs rewriting. Close-fit shirts, from sports-inspired Lycra stretch to more tapered and shaped styles, proved so popular they flew out of the shops in early spring.

BUT fashion does not sit still for long. Many designers are shifting direction for next year, promoting looser, softer silhouettes and natural fabrics like linen and cotton.

"We've all suffered the discomfort of rayon stretch shirts," comments Nigel Curtiss. "And people have had enough of suffering for fashion."

This trend was noted by visitors to Pitti Immagine Uomo, the Italian trade fair just held in Florence. Natural fabrics are making a comeback.

A name to watch as a directional influence is the British designer Joe Casely-Hayford, who makes strong statements with shirts. For the coming autumn, that means tattersall checks in bush cotton with smock detailing and 18th-century tie necks.

And next spring? "Natural, coarse-looking textures, using rough silk and dry cotton," Casely-Hayford says.

Even in the workplace, the shirt is undergoing a transformation.

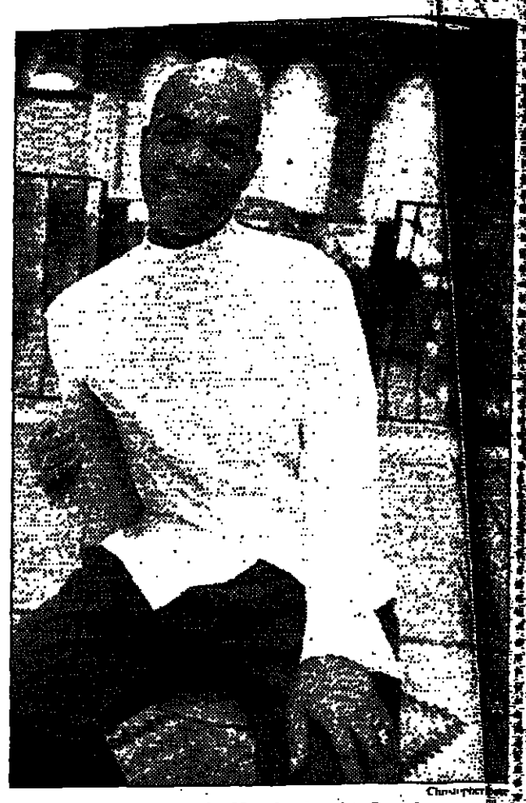
Easy-care, non-iron shirts using new fabrics and sewing technologies are making an impact. Technologies have been refined since the drip-dry, polyester era, and leading retailers such as Britain's Marks & Spencer are pioneering soft-against-the-skin, easy-care shirts.

And the shirt story doesn't end there. The dress-down phenomenon is also having an impact, with shirt manufacturers across Europe extending their casual shirt ranges in response to the growth of "Friday wear" — the concept imported from the United States of encouraging employees to "dress down" on the final day of the work week.

For shirt manufacturers, casual Fridays represent a new business opportunity. Their thinking runs like this: If the offices of the future are to be tieless and jacketless environments, that leaves the shirt center stage in men's fashion.

Or should that be the shirt-jacket?

ROGER TREDRE is a fashion features writer on The Observer.



Christopher Pledger

Rising star Joe Casely-Hayford at his London studio

Modern, Male, Made-to-Measure: The Great Custom Tailor Revival

Italian Suits Go Personal as Demand Soars

By Lucie Muir

MILAN — Maybe it's because men have more spending power. Maybe they just like the way they look in a tailored suit. Whatever the reason, high-end Italian retailers are putting chalk to cloth as more and more men desert off-the-rack clothing in favor of the made-to-measure suit.

"There's a notable return to made-to-measure as the suit takes on a new global status," says Antonella de Simone, marketing director at Brioni, the Rome-based company known for making the suits for Pierce Brosnan's James Bond.

"We have already seen a 35 percent increase in orders this year," de Simone says. And Brioni is far from alone. Industry sources say tailor-made clothing is among the fastest growing high-end businesses in Italy today.

Next spring's Italian suits will be made with a rich array of fabrics: shiny cottons, silk and mohair blends, superlight cashmere and the best of Britain, Italian style. Savile Row chalk stripes, Prince of Wales plaids, flannel and Harris Tweed come in new lighter weights to emphasize comfort.

For the same season, Ermenegildo Zegna, the family-run textile and apparel company, is pushing a superlight cashmere that weighs just 210 grams per meter. There is also a very fine Australian merino wool called 15 Milmil 15, which aside from being light yet thick can be worn 10 months of the year.

Mohair is the hot favorite in cool blends for summer. Marzotto, the Italian textile and apparel giant, which produces Gianfranco Ferre's Studio line and Hugo Boss, has created a light shiny silk/mohair that is soft to the touch.

"The future for fabrics used in made-to-measure is in comfort and weight," says Marzotto's chief executive, Silvano Storer. "Today men don't need heavy fabrics year round as they once did."

CLOTHING and fabric producers have been quick to enter the made-to-measure business, offering new suit collections made with their own fabrics.

Next season Marzotto will add a semi-tailored collection, Sartoria, to its existing Principe line. The new collection is made with lightweight silk, mohair and linen. Shapewise, suits will hang close to the body, but for those who can't give up the pasta, waists will be slightly looser for added comfort.

Sartoria was added in response to an enormous demand for the tailored look, particularly from American customers. Storer predicts first-year sales in the United States of $10-$15 million.

Last year, Ermenegildo Zegna unveiled its Napoli line of sleek suits and overcoats, which are hand cut but industrially sewn in the company's Swiss-based factory. Made-to-measure accounts for 15 percent of Zegna's sales.

Zegna has been in on the trend from the start. Gildo Zegna, vice president of the company's formal wear division, said, "Men want to look dapper without constrictions. Only a fine tailored suit and classic fabric can offer him this."

Zegna's best markets for made-to-measure clothing are the United States and Japan, where the Zegna stores employ teams of tailors to measure the clients. Post-purchase, Zegna will send a tailor to your home to make any necessary adjustments.

Another leading textile and outerwear name, Loro Piana, has also decided to measure up for business. "What amazes us the most is the fact that clients are prepared to wait," says Sergio Loro Piana, the company's chief executive officer. "They want custom-made suits at all costs."

EVEN designers get their clothes tailor-made. Where would the celebrated Gianfranco Ferre go for shirts other than Truzzi, the prestigious Milanese custom-made shirt and tie maker?

"Italian tailors formed the basis of today's ready-to-wear," says Ferre. "They have given today's designers a fundamental lesson in the cut, construction and proportion of a man's suit, as well as a precious array of fabrics."

Milan's tailoring association, the Unione Milanese Sarti, boasts that it has some of the best tailors in the world — tailors who can make any man look physically perfect even if he's not. There's even one member who specializes in made-to-measure inner breast pockets designed to hold his customers' mobile phones.

The future looks bright for well-established tailors like Mario Caracenci, who says that orders significantly increased this year. Kiton, another well-known Italian tailor, is also a popular choice with Americans, who travel to the company's atelier in Naples for fittings. "They're willing to spend the money for personalized suits with a unique Italian quality," says the company's president, Ciro Paone.

Italian tailoring is hot with Hollywood — so much so that some companies attribute the general surge in made-to-measure to better-dressed movie stars. Brioni did its part with its $2,000 James Bond suits. And Canali, which made those classy double-breasted suits for Gene Hackman's double-crossing character in "The Firm," says its U.S business is also on the rise.

But men hoping to achieve the Brosnan look must still remember: There's only so much a suit can do.

LUCIE MUIR is a fashion writer based in Milan.

Customized cuts from the kings of made-to-measure (clockwise from top right): Ermenegildo Zegna's cashmere cardigan jacket and cashmere overshirt; striped tie, shirt and jacket in Marzotto's Principe line; sharp suit by Ozwald Boateng; a Marc Griffith model at his London atelier.

Trend Sweeps London, Paris, New York

By Rebecca Voight

PARIS — On the high end of menswear, one-of-a-kind is where it's at. Not since the 1970s, when rock 'n' roll hit London's Savile Row, have custom and made-to-measure tailoring been such hot fashion commodities.

The custom-made revival has been a boon for English tailoring. Savile Row is buzzing with orders. And a coterie of young London bespoke, or custom, tailors — Richard James, Ozwald Boateng, Marc Griffith and Timothy Everest, all on or defiantly off Savile Row — are turning out spin-offs based on their custom-made look.

For a new generation of men's fashion customers, luxury is more than a hot designer label: It is clothes with a personal touch. Beyond the traditional custom-tailored mold, which has evolved little over recent years from the tweedy Prince Charles look or the sleek and sinister John Gotti style, the new made-to-measure is fashion-driven.

And the backroom tailor is not where the business is going. Michaela Maria Fischer left her job at the haute couture atelier of Munich's Max Dietl last year when she found a small shop just off the Place des Victoires in Paris where she could open MM Tailleur. Specializing in suits, MM Tailleur's hand tailoring attracts a unisex clientele who frequent the nearby Kenzo, Cacharel and Victoire boutiques.

On the crest of this wave is Helmut Lang, who will launch a custom-made atelier for men and women either in the new shop he is opening next fall in New York's SoHo, or at his headquarters in Vienna. For Lang, whose fashion career began with a made-to-measure shop he opened in Vienna in 1979, the atelier is a return to his roots.

"I'm not interested in a couture state of mind, but I think there is a new need for quality and individuality beyond the current retail equation," says Lang, who admits that the business will be small and that the service will "cost a fortune."

DIRK Bikkembergs has also caught the hand-tailoring bug. The Belgian designer recently hired an assistant who spent seven years on Savile Row. "As a student I was preoccupied by creativity," says Bikkembergs. "I'm now more interested in how things are finished."

Alexander McQueen, who shows his men's collection with his women's wear in London, began his career on Savile Row and says it remains an influence on everything he does. McQueen, who is responsible for David Bowie's look on and off stage, custom tailors men's clothes for a few friends. "I think factories need to be educated and persuaded to take on more hand-tailoring techniques," he says.

Much more accessible than custom tailoring is made-to-measure. "It isn't new, but the customers and designers involved are," says Peter Rizzo, vice president and general merchandise manager at Barneys New York. "We're very gung ho on it."

Barneys is set to launch a made-to-measure program with London's Timothy Everest. Allowing numerous modifications from lapel widths to fabrics, and including even some hand-tailored details, the program, according to Rizzo, is "for cool guys willing to spend only about 20 percent more than they would for a ready-to-wear suit."

Everest, who began his career with the celebrated Savile Row tailor Tommy Nutter, opened his bespoke shop six years ago. "I opened as far away from Savile Row as I could," he says. "I felt fashion customers wanted something more than ready-to-wear and that a mix of fashion and bespoke or even made-to-measure was the next logical step."

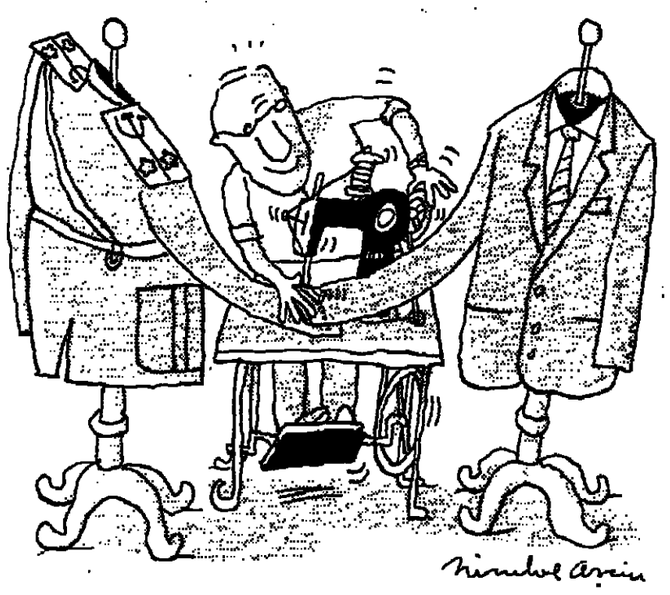
WHILE the old hush-hush houses on Savile Row are just beginning to learn how to work the press with stories of the glory days when Cary Grant was a favorite customer, newer names have impressive clients today — like Richard James, whose list includes everyone from Liam Gallagher of Oasis to Tom Cruise, Madonna, Viscount Linley and Christian Lacroix. James opened a ready-to-wear counter within New York's Bergdorf Goodman in March, but bespoke still accounts for 30 percent of the business at his Savile Row shop. "We're completely classic, but we're modern," he says. This means, for example, a choice of lighter fabrics and more interesting patterns than at a traditional bespoke shop.

Marc Griffith discovered he had a built-in clientele for bespoke tailoring when he opened his shop a few years ago across the street from Merrill Lynch in London. Far from Savile Row and the cozy club style of most tailors' shops, his streamlined atelier looks more like an art gallery. Griffith will soon launch a ready-to-wear collection produced by a hand-picked team of craftsmen.

Ozwald Boateng shows his sharp English-tailoring-style ready-to-wear on the runway in Paris, has a shop next to Savile Row in London and counts Mick Jagger and Jamiroquai among his clients. Boateng is probably the most flamboyant of the new bespoke tailors. "I have trouble with customers who say, 'You're so thin — that's why you can wear that suit,'" says the dapper Boateng. "They don't understand that bespoke helps men look their best."

REBECCA VOIGHT is a Paris-based journalist specializing in fashion.

And What About the Hong Kong Tailor? Not to Worry, He'll Survive



Nicolas Asfouri/IHT

By R. Jane Singer

HONG KONG — Is the handover of Hong Kong to China going to change the one thing businessmen want most as a side benefit when they visit here: the suit? The answer is a resounding no, according to the city's tailors.

Regardless of the government, businessmen will continue coming to Hong Kong as long as there is money to be made — and why not? Many of them have been trading with China for years.

"I have no apprehension about the change in government," says Manu Melwani, who runs Hong Kong's best known tailor shop, Sam the Tailor. "I think it may be a good thing for those of us who have a solid base here. There has been uncertainty over the past decade, but now the future is settled and we know that things will not change over the next 50 years."

The tailoring business got its start here when the British established Hong Kong as a military garrison and naval base, bringing their own tailors, with their legendary high standards. These master craftsmen employed local men as assistants to help make dress uniforms for the officers. When the regiments departed, many of the local tailors set up their own shops, founding the present-day custom tailoring trade.

Melwani's shop in the Tsimshatsui tourist district became famous in the 1970s when questions were asked about it in the British House of Commons.

The shop was then run by Melwani's father, Nariandas, who had been given the name Sam by his British customers. He had been making suits for the Duke of Kent, who at the time was heading a drive to get the nation to buy British. Were there no good tailors in Britain? asked the Labour Party, making international headlines.

Sam the Tailor has also made clothes for other members of the royal family — suits for Prince Philip and a blazer for Prince Charles. Lined with photos of the rich and famous, the shop is a stop on the tour for visiting movie stars, sports figures, pop singers and other celebrities. The film star Pierce Brosnan has his shirts made here, phoning from abroad when he needs new ones.

Part of Melwani's success with celebrities is due to his discretion. Measurements of his famous clients are kept in a locked cabinet in his office. This is in the Hong Kong tradition. Other tailors declined to be quoted about their customers, although one said he had once been dispatched to measure George Bush at his Hong Kong hotel.

IF Hong Kong's tailors seem unworried about losing Western customers due to the change in sovereignty, this is in part because their customers are in any event increasingly Asian.

U.S. businessmen and servicemen once made up most of his clientele, says George King, manager of British Textile Company, one of the city's finest men's tailors. But now times have changed, and so have dress codes. "American men now dress more casually, so they don't need as many suits," King says.

Today his clientele is split evenly between local customers and foreign visitors — with the foreigners now coming from Asian countries like Japan, South Korea, Thailand and Indonesia. Despite new wealth, few mainland Chinese frequent his shop, King says. "They want to buy ready-made garments from famous names."

For decades Hong Kong tailorshops have been known for their ability to whip up a made-to-measure suit in 24 hours. The fast and fastidious tailoring was the work of tailors from Shanghai, said to be the best in China. Although it is still possible to get a suit made in a day, King says that for good quality the customer should allow three weeks.

And what about those Shanghai tailors? According to King, many of the tailors are now from Hong Kong since the original Shanghai tailors are getting older and the young people don't want to go into this business. Nowadays less expensive suits are cut in Hong Kong and finished in China, while better quality suits are cut and finished here.

Suits at British Textiles cost about $1,300, but can go as high as $3,000. But, as King notes, "Custom tailors are not for bargains; they are for quality."

R. JANE SINGER lives in Hong Kong, where she is editor in chief of Inside Fashion, a newspaper for the international fashion industry.

هكذا من الأصل

هكذا من الأصل

Revival

Paris, New York

W

urvive

"A TREASURE CHEST OF REBELLION, FANTASY, ROMANCE AND GLAMOUR"
FOR HIM AND HER

ANGLOMANIA

~ Vivienne Westwood ~

PRODUCED BY G.T.R. GROUP s.p.a
INTERNATIONAL DISTRIBUTION - FASHION NETWORK TEL: 392 295 37248
PRESS - VIVIENNE WESTWOOD LONDON TEL: 44 171 287 3188

صحتك من الاحمل

هكذا من الأصل

NASDAQ

Tuesday's 4 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Tuesday's 4 P.M. Close

(Continued)

AMEX

Tuesday's 4 P.M. Close

The top 300 most active shares, up to the closing on Wall Street.

The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]					

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	7692.47	7748.34	7667.36	7722.33	+49.54
Trans	2734.91	2745.03	2711.60	2744.86	+31.25
Util	228.20	229.80	226.37	228.25	+1.46
Comp	2368.89	2385.42	2359.33	2378.82	+18.56

Standard & Poors

	High	Low	Previous Close	Today 4 P.M.
	1050.85	1035.06	1042.98	1048.06
Transp.	635.23	625.96	631.99	638.69
Utilities	199.07	196.41	198.39	198.84
Finance	101.73	100.13	100.13	101.76
SP 500	892.62	879.82	885.15	891.04
SP 100	869.02	856.63	861.17	868.44

NYSE

	High	Low	Last	Chg.
Composite	464.94	462.44	466.01	+3.57
Industrials	591.70	586.33	590.31	+3.98
Transp.	419.36	414.48	419.19	+4.49
Utility	285.97	284.12	285.28	+0.76
Finance	427.91	421.02	426.69	+5.67

Nasdaq

	High	Low	Last	Chg.
Composite	1443.94	1432.58	1438.25	-3.82
Industrials	1183.86	1178.32	1181.41	-1.27
Banks	1630.99	1620.00	1629.87	+14.74
Insurance	1655.45	1642.77	1655.45	+8.20
Finance	1917.56	1903.87	1917.56	+8.18
Transp.	970.44	963.83	969.70	+0.38

AMEX

High	Low	Last	Chg.
625.58	621.36	625.55	+2.98

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	102.96	103.02
10 Utilities	100.12	100.13
10 Industrials	105.80	105.91

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
OfcDpt	227252	15⅞	14	15⅜	-3⅞
WstnEl	75920	25	23⅜	23¹⁵⁄₁₆	+⅝
PhilMor s	56239	44⅛	43¾	43¹³⁄₁₆	-⅞
CocaCl	54842	69⅛	67⅞	68⅜	+¼
Compaq	50698	103⅛	99¾	101⅞	+2⅛
Boeing s	49899	54⅞	53⅛	54⅛	+1⅛
ChesEng s	45891	10	8⅛	8⅞	-1⅛
AT&T s	44506	36⅜	34⅞	36⅜	+1⅛
Edisonint	40859	24⅛	24½	24⅝	-⅛
GenElec s	39212	66⅝	65½	66⅜	+1⅛
BlckHR	38794	33⅛	32⅛	32⅞	+⅞
PepsiCo	37753	38½	37⅞	38⅛	+⅛
WalMart	36377	34⅛	33⅜	33⅞	+⅛
FedrDS	35738	35¼	34⅛	35⅜	+⅞
Pfizer s	34691	60¼	58⅜	60¼	+⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
Staples	150527	24⅛	23⅛	24⅛	+1⅛
Intel	144371	142⅛	138⅜	139⅛	-2⅞
CellrTch	132276	8⅛	5⅞	5⅞	-3⅛
Ascend	130450	43⅞	39⅜	43⅜	+4⅛
3Com	118999	44⅛	43⅛	44⅛	-⅛
WA Mutl	91845	64⅛	62⅞	63⅞	+4⅛
Microsft s	73621	126⅛	123⅞	124⅞	+1⅛
DellCpt s	68578	117⅞	113⅛	114⅛	-3⅛
Cisco	61475	69⅛	67⅛	68⅛	+1⅛
Oracle	51140	50⅛	48⅛	48⅛	-1⅛
TeleComA	46784	15	14⅛	14⅞	-⅛
MCI	43925	39⅛	38⅜	39⅛	+⅛
ApldMat	43721	73⅞	70⅞	73⅛	+2⅛
ForeSys	42267	14⅛	13⅛	14⅛	+1⅛
VidServ	40564	11	9⅞	10⅛	-2⅛

AMEX

	Vol.	High	Low	Last	Chg.
ViacB	16760	30⅛	28⅜	30⅛	+⅞
SPDR	15632	89⅞	88⅛	89⅞	+1½
Harken	9018	7	6⅞	6⅞	-⅛
TWA	6860	8⅛	8	8	-⅛
IvaxCp	6540	11⅛	11⅛	11⅞	+⅛
JTS Corp	5971	⅞	⅞	⅞	-⅛
DI Ind	5949	4⅛	4⅛	4⅛	+⅛
HanvDir	5868	1¼	1⅛	1⅛	-⅛
TubMex	5758	19⅛	18⅜	19⅛	+⅞
WEB Jpn	4832	14⅛	14⅛	14⅛	—

Trading Activity

NYSE

	Close	Prev.
Advanced	1706	1531
Declined	1150	1306
Unchanged	535	558
Total issues	3391	3395
New Highs	250	317
New Lows	10	13

Nasdaq

	Noon	Prev.
Advanced	1523	2390
Declined	1811	1747
Unchanged	2127	1596
Total issues	5461	5733
New Highs	111	318
New Lows	78	66

AMEX

	Close	Prev.
Advanced	311	374
Declined	262	277
Unchanged	158	170
Total issues	731	761
New Highs	53	55
New Lows	5	10

Market Sales

	Today 4:00	Prev. cons.
NYSE	530.32	660.33
Amex	20.44	33.57
Nasdaq	539.42	637.02

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Virginia Gas	-	.0175	7-15	7-31
STOCK SPLIT				
Compaq Cptr 5 for 2 split.				
Falcon Drilling 2 for 1 split.				
Royal Dutch Petrol 4 for 1 split.				
INCREASED				
Winn-Dixie Strs	M	.085	7-15	8-1
OMITTED				
Cambridge Shop	-			
SPECIAL				
Cerbco Inc	-	1.50	7-15	7-30
INITIAL				
Boeing Co n	-	.14	8-15	9-5
Castle Energy	-	.15	7-11	7-15
REGULAR				
BlckRck Adv Trm	M	.052	7-15	7-31
BlckRck CA	M	.0731	7-15	7-31
BlckRck FL I	M	.06	7-15	7-31
BlckRck IncoTr	M	.0468	7-15	7-31
BlckRck Inv	M	.0479	7-15	7-31
BlckRck Mun	M	.0512	7-15	7-31
BlckRck 1998 Trm	M	.0416	7-15	7-31
BlckRck 1999 Trm	M	.0333	7-15	7-31
BlckRck NJ	M	.0578	7-15	7-31
BlckRck NY	M	.0681	7-15	7-31
BlckRck NoAm	M	.07	7-15	7-31
BlckRck TargTerm	M	.0479	7-15	7-31
CNF Transport	Q	.10	8-15	9-15
Duff Phelp UtTxFr	M	.08	7-15	7-31
FelCor SuiteHtls	Q	.50	7-15	7-30
Fst Franklin	Q	.08	7-3	7-21
Harvest Home	Q	.10	7-15	7-31
High Yld Income	M	.06	7-15	7-31
Interstate Bakeries	Q	.135	7-15	8-1
LCS Indust	Q	.0375	7-11	7-25
Muni Adv Fd	M	.0665	7-17	8-1
NewYork TxExmp	M	.053	7-15	8-1
Opp MultiSect	M	.074	7-11	7-25
Opp WrldBd	M	.056	7-11	7-25
Penobscot Shoe	Q	.05	8-25	9-15
Pilgrim Am Pr rt	M	.0695	7-10	7-22
Quilmes Indust SA	-	.1925	7-16	7-17
Santa BarbBncp	Q	.23	7-23	8-13
Strayer Education	-	.0625	7-11	7-25
Wellington Props	Q	.2125	6-30	7-15
Winn-Dixie Strs	M	.085	8-15	9-2
Winn-Dixie Strs	M	.085	9-15	10-1

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration. a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

July 1, 1997

	High	Low	Latest	Chge	Opint
Grains					
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	247½	243	243¾	—4¾	35,700
Sep 97	237¼	232½	233	—5	57,778
Dec 97	237¼	232¼	232¾	—5¼	142,182
Mar 98	245½	240¼	240½	—5½	22,571
May 98	249½	246	246	—5¼	2,774
Jul 98	253½	249¼	249¾	—6¼	4,678
Sep 98	249	245½	245½	—4½	230
Est. sales N.A. Mon's. sales 181,977					
Mon's open int 272,018 off 6129					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jul 97	257.80	243.00	244.20	—13.80	13,758
Aug 97	236.80	220.20	222.10	—13.10	23,091
Sep 97	217.00	204.00	206.00	—10.40	14,526
Oct 97	207.00	193.00	197.50	—8.40	13,805
Dec 97	200.50	187.50	191.30	—9.30	30,835
Jan 98	198.00	186.50	188.80	—9.00	3,547
Est. sales N.A. Mon's. sales 36,846					
Mon's open int 106,801 up 2488					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Jul 97	21.88	21.27	21.42	—0.37	7,166
Aug 97	21.94	21.50	21.58	—0.37	27,474
Sep 97	22.05	21.72	21.73	—0.29	13,303
Oct 97	22.08	21.76	21.78	—0.35	14,405
Dec 97	22.15	21.85	21.91	—0.29	40,305
Jan 98	22.25	22.03	22.03	—0.18	4,165
Est. sales N.A. Mon's. sales 34,653					
Mon's open int 1,111,422 up 1002899					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	775	713	732	—39	14,570
Aug 97	722	675	681	—37¼	33,323
Sep 97	642	610	612	—32	11,878
Nov 97	611	585	589½	—28	60,421
Jan 98	615	590	594	—27¼	10,748
Est. sales N.A. Mon's. sales 63,561					
Mon's open int 137,589 off 517					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	328	322	322½	—1¼	7,810
Sep 97	336	330½	331½	—¾	38,525
Dec 97	348½	343½	344	—1¼	31,381
Mar 98	356½	351½	352½		4,763
Est. sales N.A. Mon's. sales 31,373					
Mon's open int 85,399 up 338					
Livestock					
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Aug 97	64.75	64.20	64.62	+0.17	43,052
Oct 97	67.90	67.55	67.87		24,852
Dec 97	70.98	70.35	70.77	—0.07	14,396
Feb 98	72.10	71.55	71.92	—0.10	6,882
Apr 98	74.02	73.47	73.85	—0.17	3,180
Jun 98	70.30	69.90	70.10		1,481
Est. sales 11,043 Mon's. sales 17,957					
Mon's open int 94,077 up 945					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Aug 97	81.70	80.50	81.45	+0.57	10,798
Sep 97	81.10	79.95	80.92	-0.47	2,589
Oct 97	81.20	80.07	80.90	-0.35	3,883
Nov 97	82.40	81.55	82.12	-0.15	2,772
Jan 98	83.05	82.72	82.62	—0.02	1,163
Mar 98	83.10	82.00	82.55	—0.02	508
Est. sales 4,503 Mon's. sales 5,674					
Mon's open int 21,978 off 320					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Jul 97	84.40	83.52	83.65	—1.02	6,482
Aug 97	82.50	81.10	81.35	—0.60	11,701
Oct 97	74.50	73.60	73.70	+0.20	7,904
Dec 97	70.80	70.00	70.30	+0.72	4,867
Feb 98	69.25	68.40	68.80	+0.42	2,085
Est. sales 11,334 Mon's. sales 4,767					
Mon's open int 35,364 off 462					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Jul 97	87.40	83.70	84.67	—0.55	2,402
Aug 97	87.80	82.07	84.80	—0.27	3,154
Feb 98	75.55	69.55	73.50	-0.95	556
Est. sales 2,979 Mon's. sales 397					
Mon's open int 6,148 up 5					
Food					
COCOA (NCSE) 10 metric tons- $ per ton					
Jul 97	1704	1656	1658	—26	148
Sep 97	1735	1678	1685	—28	39,210
Dec 97	1777	1726	1730	—26	21,964
Mar 98	1803	1760	1760	—25	22,835
May 98	1815	1780	1780	—21	9,678
Jul 98	1827	1798	1798	—30	961
Est. sales 13,458 Mon's. sales 6,677					
Mon's open int 107,616 up 1815					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Jul 97	203.00	195.50	196.50	+4.10	743
Sep 97	184.50	173.00	175.25	-2.85	11,005
Dec 97	162.60	152.50	154.35	-3.45	5,848
Mar 98	146.85	143.00	143.25	+2.40	2,358
May 98	142.00	137.00	138.75	+2.25	923
Est. sales 7,167 Mon's. sales 3,293					
Mon's open int 20,584 off 211					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Oct 97	11.40	11.21	11.24	+0.05	94,790
Mar 98	11.40	11.25	11.31	-0.08	39,904
May 98	11.28	11.18	11.22	-0.06	8,717
Jul 98	11.18	11.11	11.12	-0.06	3,836
Est. sales 21,896 Mon's. sales 15,781					
Mon's open int 150,313 off 1903					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jul 97	74.25	72.20	73.75	+1.20	2,395
Sep 97	76.50	73.45	73.90	—0.50	18,868
Nov 97	79.00	78.35	78.60	—0.40	6,058
Jan 98	82.25	81.60	81.75	—0.55	2,457
Est. sales N.A. Mon's. sales 4,458					
Mon's open int 31,764 off 695					
Metals					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jul 97			334.00	—0.20	3
Aug 97	335.80	334.60	335.10	—0.20	100,126
Sep 97			336.20	—0.20	
Oct 97	338.20	337.10	337.40	—0.30	8,463
Dec 97	340.30	339.20	339.70	—0.30	30,778
Feb 98	342.60	341.60	342.00	—0.40	9,133
Apr 98			344.30	—0.40	4,753
Jun 98	347.30	346.80	346.80	—0.40	8,187
Aug 98			349.30	—0.50	746
Est. sales N.A. Mon's. sales 37,002					
Mon's open int 194,341 off 5128					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jul 97	113.50	111.20	112.15	—1.50	7,941
Aug 97	112.70	110.30	110.75	—1.90	2,858
Sep 97	112.45	109.80	110.05	—2.10	22,545
Oct 97			108.05	—2.30	1,267
Nov 97			107.25	—2.10	1,206
Dec 97	107.90	106.55	106.55	—2.00	6,758
Jan 98			104.95	—1.70	649
Feb 98			103.95	—1.70	544
Mar 98	104.00	103.05	103.05	—1.90	2,030
Est. sales N.A. Mon's. sales 4,667					
Mon's open int 49,309 up 138					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jul 97	466.00	462.00	463.30	+3.30	3,480
Sep 97	471.00	465.00	467.80	+3.00	55,498
Dec 97	477.50	471.00	474.70	+3.00	13,924
Jan 98			476.60	+3.00	18
Mar 98	483.50	478.50	481.60	+3.00	8,975
May 98			485.80	+3.00	2,837
Jul 98			490.00	+3.00	1,986
Sep 98			494.30	+3.00	685
Est. sales N.A. Mon's. sales 32,979					
Mon's open int 91,277 up 2606					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jul 97	426.00	420.90	420.90	+5.10	2,622
Oct 97	422.00	410.50	411.90	—0.90	11,291
Jan 98	413.20	403.90	403.90	—3.90	1,739
Est. sales N.A. Mon's. sales 2,741					
Mon's open int 15,782 off 62					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1585.00	1586.00	1568½	1569½
Forward	1607.00	1608.00	1590.00	1591.00
Copper Cathodes (High Grade)				
Spot	2537.00	2543.00	2564.00	2569.00
Forward	2404.00	2405.00	2421.00	2422.00
Lead				
Spot	626.00	627.00	614½	615½
Forward	638.00	639.00	627.00	628.00
Nickel				
Spot	6820.00	6830.00	6750.00	6760.00
Forward	6930.00	6940.00	6860.00	6865.00
Tin				
Spot	5490.00	5500.00	5520.00	5530.00
Forward	5543.00	5548.00	5570.00	5580.00
Zinc (Special High Grade)				
Spot	1438½	1439½	1414.00	1415.00
Forward	1440½	1441½	1419½	1420½

	High	Low	Close	Chge	Opint
Financial					
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Sep 97	94.82	94.78	94.80		7,579
Dec 97	94.59	94.59	94.63	+0.03	440
Mar 98			94.50	—0.02	4
Est. sales N.A. Mon's. sales 364					
Mon's open int 8,023 up 190					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Sep 97	106-15	105-53	106-12	+ 19	212,350
Dec 97			105-58	+ 19	1,486
Mar 98			-01		
Est. sales 74,000 Mon's. sales 51,016					
Mon's open int 213,836 off 667					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Sep 97	108-13	107-25	108-09	+ 13	327,368
Dec 97	108-00	107-17	107-30	+ 13	4,343
Mar 98			107-18	+ 13	1
Est. sales 94,887 Mon's. sales 74,367					
Mon's open int 331,712 off 176					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Sep 97	111-29	110-30	111-22	+ 20	412,548
Dec 97	111-16	110-18	111-10	+ 21	26,538
Mar 98	111-00	110-13	111-00	+ 20	2,394
Jun 98	110-23	110-21	110-21	+ 20	801
Est. sales 345,000 Mon's. sales 309,821					
Mon's open int 443,140 off 6768					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.					
Jul 97	94.32	94.29	94.31		21,121
Aug 97	94.28	94.25	94.27	+0.01	19,630
Sep 97	94.24	94.21	94.24	+0.01	6,577
Est. sales N.A. Mon's. sales 7,462					
Mon's open int 50,496 up 4618					
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Sep 97	101.91	101.43	101.88	+0.39	252,662
Dec 97	100.63	100.56	100.97	+0.39	8,423
Est. sales: 154,402. Prev. sales: 141,409					
Prev. open int.: 261,085 off 2,415					

	High	Low	Latest	Chge	Opint
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Sep 97	114-22	113-29	114-20	+0-22	164,986
Dec 97	N.T.	N.T.	114-06	+0-22	
Est. sales: 60,018. Prev. sales: 54,643					
Prev. open int.: 164,986 off 2,823					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Sep 97	129.42	129.02	129.42	+ 0.20	203,256
Dec 97	97.78	97.76	98.02	+ 0.20	0
Mar 98	97.18	97.18	97.42	+ 0.20	0
Est. sales: 100,534.					
Open int.: 203,256 off 4,239.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Sep 97	134.47	133.77	134.40	+0.40	99,804
Dec 97	106.70	106.50	106.84	+0.39	270
Est. sales: 48,743. Prev. sales: 44,351					
Prev. open int.: 100,074 up 1,256					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Jul 97	94.21	94.18	94.21	+0.01	41,966
Aug 97	94.18	94.15	94.17	+0.01	12,232
Sep 97	94.15	94.11	94.14	+0.02	572,216
Dec 97	93.96	93.89	93.95	-0.05	434,003
Mar 98	93.87	93.78	93.85	+0.05	299,454
Jun 98	93.75	93.66	93.74	+0.06	244,634
Sep 98	93.65	93.55	93.64	+0.08	205,740
Dec 98	93.53	93.44	93.52	+0.06	144,797
Mar 99	93.51	93.42	93.50	+0.06	110,592
Jun 99	93.47	93.38	93.46	+0.06	86,447
Sep 99	93.43	93.34	93.42	+0.07	73,536
Dec 99	93.35	93.26	93.35	+0.08	67,067
Est. sales N.A. Mon's. sales 418,033					
Mon's open int 2,644,760 up 14247					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Sep 97	1.6646	1.6498	1.6556		55,272
Dec 97	1.6560	1.6460	1.6508		581
Mar 98			1.6460		2
Est. sales N.A. Mon's. sales 5,544					
Mon's open int 55,855 up 1309					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Sep 97	.7286	.7272	.7284		39,248
Dec 97	.7322	.7310	.7321		2,598
Mar 98	.7355	.7352	.7352		540
Est. sales N.A. Mon's. sales 5,265					
Mon's open int 42,607 off 1832					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Sep 97	.5782	.5750	.5756		87,554
Dec 97	.5815	.5807	.5795		961
Mar 98			.5834		227
Est. sales N.A. Mon's. sales 32,117					
Mon's open int 88,842 up 16046					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Sep 97	.8823	.8771	.8799		52,555
Dec 97	.8927	.8912	.8915		1,098
Mar 98			.9032		107
Est. sales N.A. Mon's. sales 11,043					
Mon's open int 53,760 off 4107					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Sep 97	.6918	.6880	.6885		39,523
Dec 97	.6990	.6959	.6959		873
Mar 98			.7034		153
Est. sales N.A. Mon's. sales 16,458					
Mon's open int 40,649 up 918					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Sep 97	.12252	.12210	.12247		19,872
Dec 97	.11827	.11790	.11827		10,267
Mar 98	.11435	.11410	.11432		3,736
Est. sales N.A. Mon's. sales 4,371					
Mon's open int 35,103 up 199					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Sep 97	92.94	92.88	92.93	+0.05	133,383
Dec 97	92.78	92.70	92.77	+0.05	111,493
Mar 98	92.70	92.62	92.69	+0.05	85,546
Jun 98	92.68	92.60	92.67	+0.05	50,965
Sep 98	92.68	92.60	92.68	+0.06	38,218
Dec 98	92.70	92.60	92.69	+0.06	29,629
Mar 99	92.71	92.61	92.70	+0.07	21,776
Est. sales: 54,507. Prev. sales: 74,449					
Prev. open int.: 508,156 up 2,679					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Jul 97	96.87	96.86	96.87	+0.02	4,127
Aug 97	N.T.	N.T.	96.86	+0.02	391
Sep 97	96.84	96.82	96.84	+0.02	282,581
Dec 97	96.75	96.72	96.75	+0.03	275,295
Mar 98	96.66	96.62	96.66	+0.04	237,059
Jun 98	96.51	96.45	96.50	+0.03	176,796
Sep 98	96.30	96.24	96.29	+0.03	151,761
Dec 98	96.04	95.97	96.02	+0.03	97,087
Mar 99	95.78	95.72	95.78	+0.04	84,175
Jun 99	95.57	95.50	95.56	+0.04	48,701
Est. sales: 73,321. Prev. sales: 106,775					
Prev. open int.: 1,464,717 off 1,918					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Sep 97	96.56	96.53	96.55	Unch.	74,982
Dec 97	96.53	96.50	96.52	+ 0.01	33,005
Mar 98	96.47	96.43	96.47	+ 0.02	0
Jun 98	96.37	96.33	96.37	+ 0.02	27,672
Sep 98	96.23	96.19	96.22	Unch.	31,563
Dec 98	96.04	96.00	96.03	+ 0.01	16,705
Mar 99	95.81	95.77	95.80	+ 0.01	13,630
Jun 99	95.60	95.58	95.60	+ 0.02	7,992
Est. sales: 34,561.					
Open int.: 219,799 off 35,210.					

	High	Low	Latest	Chge	Opint
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Sep 97	93.54	93.45	93.52	+0.04	114,193
Dec 97	93.91	93.83	93.90	+0.06	81,524
Mar 98	94.17	94.08	94.17	+0.04	48,044
Jun 98	94.34	94.24	94.33	+0.04	33,785
Sep 98	94.42	94.33	94.41	+0.05	26,041
Dec 98	94.45	94.37	94.45	+0.05	12,197
Est. sales: 44,790. Prev. sales: 61,416					
Prev. open int.: 331,832 off 10					
Industrials					
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Jul 97	73.57	73.10	73.55	+0.45	312
Oct 97	76.60	76.05	76.10	-0.32	11,481
Dec 97	77.35	76.74	76.83	-0.29	41,397
Mar 98	78.50	77.95	78.02	-0.32	7,341
May 98	78.95	78.63	78.64	-0.36	1,460
Est. sales N.A. Mon's. sales 4,891					
Mon's open int 66,191 up 52					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Aug 97	55.10	53.80	54.84	+0.89	47,724
Sep 97	55.50	54.40	55.31	+0.86	19,409
Oct 97	56.20	55.30	56.01	+0.86	14,709
Nov 97	57.00	56.40	56.76	+0.86	13,862
Dec 97	57.75	57.10	57.46	+0.86	15,459
Jan 98	58.10	57.60	57.86	+0.86	12,755
Feb 98	58.05	57.65	57.86	+0.86	4,613
Mar 98	57.30	56.80	56.91	+0.81	5,948
Apr 98	55.95	55.40	55.51	+0.81	3,722
Est. sales N.A. Mon's. sales 41,245					
Mon's open int 144,390 off 5228					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Aug 97	20.27	19.79	20.70	+0.38	95,184
Sep 97	20.25	19.84	20.10	+0.36	52,673
Oct 97	20.18	19.87	20.05	+0.35	38,463
Nov 97	20.16	19.99	20.05	+0.33	29,088
Dec 97	20.15	19.97	20.05	+0.09	39,252
Jan 98	20.15	20.00	20.08	+0.06	18,545
Feb 98	20.10	20.02	20.10	+0.09	8,262
Mar 98	20.10	20.01	20.05	+0.05	5,812
Apr 98	20.10	20.02	20.10	+0.08	4,755
May 98	20.09	20.02	20.09	+0.07	6,465
Est. sales N.A. Mon's. sales 63,520					
Mon's open int 397,512 up 467					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Aug 97	2.150	2.105	2.110		38,439
Sep 97	2.150	2.105	2.113		28,922
Oct 97	2.160	2.125	2.127		22,970
Nov 97	2.285	2.250	2.257		10,347
Dec 97	2.420	2.395	2.395		14,223
Jan 98	2.460	2.430	2.435		14,253
Feb 98	2.370	2.355	2.355		10,144
Mar 98	2.265	2.240	2.250		7,805
Apr 98	2.125	2.115	2.115		3,516
May 98	2.085	2.078	2.070		2,813
Est. sales N.A. Mon's. sales 12,465					
Mon's open int 192,463 off 1347					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Aug 97	59.25	58.10	58.78	+0.66	38,419
Sep 97	58.50	57.50	58.16	+0.66	10,804
Oct 97	57.25	56.70	56.93	+0.48	7,082
Nov 97	56.55	56.10	56.25	+0.34	2,406
Dec 97	56.25	55.80	55.85	+0.30	5,685
Jan 98	56.00	56.00	56.00	+0.30	3,718
Feb 98			56.40	+0.30	1,117
Mar 98	57.15	57.00	57.25	+0.30	3,233
Est. sales N.A. Mon's. sales 36,620					
Mon's open int 75,250 off 4036					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Jul 97	167.75	166.00	167.75	+2.50	16,804
Aug 97	169.25	167.25	169.25	+2.75	15,856
Sep 97	170.50	168.75	170.75	+3.00	6,012
Oct 97	172.25	170.75	172.25	+2.75	7,019
Nov 97	173.25	173.25	174.00	+2.75	4,762
Dec 97	175.50	174.25	175.50	+3.00	9,498
Jan 98	175.75	174.50	175.50	+2.25	4,413
Feb 98	176.00	175.00	175.50	+2.25	2,402
Est. sales: 13,300. Prev. sales: 9,759					
Prev. open int.: 71,775 off 543					
Stock Indexes					
S&P COMP. INDEX (CMER) 500 x index					
Sep 97	903.25	889.30	896.00	+5.75	178,564
Dec 97	912.80	901.50	906.50	+6.40	4,910
Mar 98			909.95		1,783
Est. sales N.A. Mon's. sales 64,052					
Mon's open int 177,327 off 2893					
CAC 40 (MATIF) FF200 per index point					
Jul 97	2948.0	2872.0	2945.0	+73.0	32,250
Aug 97	2932.0	2878.5	2952.5	+73.0	1,792
Sep 97	2957.0	2887.0	2961.0	+72.0	20,992
Mar 98	2993.5	2993.5	3008.50	+75.0	7,299
Est. sales: 20,511.					
Open int.: 67,904 off 8,304.					

Commodity Indexes

	Close	Previous
Moody's	N.A.	1,546.10
Reuters	1,931.60	1,935.50
D.J. Futures	150.69	150.36
CRB	238.84	239.34

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

See our **Arts and Antiques** every Saturday

SUSTAINABLE PARTNERSHIP

The International Herald Tribune and the World Business Council for Sustainable Development would like to recognize the following companies for their support of the Sponsored Section on 'ECO-EFFICIENCY: BUSINESS AND THE ENVIRONMENT,' which appeared in the IHT on June 23.

3M Company
Anova Holding AG
AT&T
Avenor Inc.
The British Petroleum Company plc
Danfoss A/S
The Dow Chemical Company
Fiat Auto S.p.A.
Fletcher Challenge Forests
General Motors Corporation
Henkel KGaA
Hoechst AG
LG Group
Monsanto Company
Norsk Hydro ASA
The Procter & Gamble Company
SABIC
Scudder, Stevens & Clark
Sony
Storebrand ASA
Unilever N.V
Waste Management International

World Business Council for Sustainable Development

160 route de Florissant
CH-1231 Conches, Geneva, Switzerland
Tel.: (41 22) 839 3100 - Fax: (41 22) 839 3131
E-mail: info@wbcsd.ch

Articles from the section can be consulted on the IHT web site at
http://iht.com/IHT/SUP/ECO/index.html

For a free print copy of the section, please send us your name, title, company name and address.
International Herald Tribune,
Eco-Efficiency Supplement,
181 av. Charles de Gaulle, 92521 Neuilly Cedex, France
FAX: 331-4143-9213 - E-MAIL: supplements@iht.com

THE WORLD'S DAILY NEWSPAPER

هكذا من الاصل

هكذا من الأصل

Advertisement

INTERNATIONAL FUNDS

July 1, 1997

available on Internet: http://www.iht.com/IHT/FUN/funds.html

Quotations supplied by fund groups to Micropal Paris (tel: 33-1 40 28 09 00)

service sponsored by NOKIA

For information on how to list your fund, fax Katy Houri at (33-1) 41 43 92 12 or E-mail : funds@iht.com

Quotations for your funds via E-mail : e-funds@iht.com

999 Other Funds

WORLD ROUNDUP

Allen Buys Seahawks

FOOTBALL The billionaire Paul Allen exercised his option to buy the National Football League's Seattle Seahawks on Monday, fulfilling a promise to Washington state voters who approved the Microsoft Corp. co-founder's proposed $425 million football stadium.

Officials of Allen's Football Northwest Inc. did not disclose the price he was paying but media reports have put it at about $200 million. *(Reuters)*

Lions Score 10 Tries

RUGBY UNION The British Lions scored 10 tries Tuesday in the last provincial game of their South African tour, beating Northern Free State, 67-39, in Welkom.

Right wing Tony Underwood scored a half hat-trick while fullback Tim Stimpson crossed twice and was successful with eight of 11 kicks at goal. Northern Free State entered into the spirit of a free-flowing game and scored four tries. *(Reuters)*

Sabres and Nolan Part

ICE HOCKEY Ted Nolan, National Hockey League coach of the year, said that he would not be returning to the Buffalo Sabres next season.

Nolan said new general manager Darcy Regier told him Monday that the team's latest contract offer, which Nolan had rejected over the weekend, was no longer on the table. Nolan was out of a job as of Tuesday. *(AP)*

Reuters

Ademola Okulaja of Germany anguished after loss to Poland.

Poles Eliminate Germany

BASKETBALL Poland beat Germany, 86-76, Tuesday to eliminate the Germans from the European Championships in Spain. Germany, at the bottom of its second-round group, needed to win to have any chance of reaching the quarterfinals. Dominik Tomczyk led all scorers with 20 for Poland, which guaranteed its place in the quarterfinals.

Greece, leader of the other group, squeaked by Israel, 85-82. Oded Katash of Israel was the game's top scorer with 29, while former U.S. college star Doron Shefer hit 21. *(Reuters)*

Ballesteros Jr. Shines

GOLF Baldomero Ballesteros, son of Severiano, has just won his first tournament — at age 6.

"It was a competition for 5-to-10-year-olds and he had 35 points over nine holes," said his father, Europe's Ryder Cup captain, who caddied for his son at the Pedrena course in Santander, Spain.

"He's started winning well before I did!" Ballesteros said.

"He's been playing for two years, and I've never had to teach him a thing. He just watches. But that is great because I want him to discover all the things about golf himself." *(Reuters)*

Boom Boom Leads German Triple Threat

By Ian Thomsen
International Herald Tribune

WIMBLEDON

WIMBLEDON, England — Not to make too much of Boris Becker, but there are three Germans in the Wimbledon quarterfinals, and they are best known as Boris Becker's rival, Boris Becker's pupil, and Boris Becker.

Becker has been at Wimbledon so long he is starting to trip over his own connections. If he can make it through his quarterfinal against either No. 1 Pete Sampras or No. 16 Petr Korda — their fourth-round match was unfinished after three delays by rain Tuesday — then Becker might find fellow Germans waiting for him in the semifinal and final. They would be, respectively, Nicolas Kiefer, the 19-year-old who is knocking out seeds with Becker's help, and Michael Stich, the 28 year old former Wimbledon champion who has promised that this will be his last Grand Slam tournament.

Kiefer, who turns 20 on Saturday, upset the No. 3 seed Yevgeny Kafelnikov of Russia, 6-2, 7-5, 2-6, 6-1. "I met him a few years ago, when he was playing at junior Grand Slams," Becker said. "I was always impressed by his hand-eye coordination. He reminds me a bit of Andre (Agassi), the way he plays on the court."

Kafelnikov would have preferred the currently-honeymooning Agassi to the German who was passing him viciously throughout the first two sets on their outer court. With his deepest effort — he even seemed to groan in a Russian accent, committing himself to each stroke as if lifting a heavy weight overhead — Kafelnikov recovered a set and seemed on the verge of overpowering the younger German one game into the fourth set. That was when Kiefer asked for a medical timeout. It took several minutes for a physiotherapist to arrive running. Without almost any words between them he positioned Kiefer on a towel on the grass court and rubbed at his lower back, turned him one way and the other, tugging and leaning on each leg, and finally exposing Kiefer's right buttock — an outrageous flouting of protocol! half moon at Wimbledon! He rubbed ointment on the right hip.

After all of that Kiefer immediately broke Kafelnikov.

Kiefer was up a break and 3-1 in the fourth set when the second suspension of the day was called because of rain. By that time, next door in the Centre Court Stadium, No. 8 Becker was having an easy time with the left-handed No. 9 Marcelo Rios of Chile, who would fall aside by 6-2, 6-2, 7-6 (7-5). After the last bout of rain the smaller Rios stubbornly matched Becker stride for stride into the tiebreaker. Rios, like Becker's German student, is a clay-stained baseliner, but on the decisive point he volleyed twice from his weak right side and once with the forehand diving, and then Becker hit a forehand into the open court much more firmly than necessary, out of fear that Rios would recover and run that down too. The crowd had just seen Boom Boom at his best — and just as importantly the fast ending meant that their own No. 14 Tim Henman would have time to at least begin his fourth-round match with the defending champion, No. 4 Richard Krajicek.

Henman and Krajicek split the opening sets in identical 9-7 tiebreakers — the first to the British host, the second to the Dutchman, who was occasionally bothered by the raucous crowd. The third set tiebreaker went to Henman 7-5 before play ended because of darkness. Sampras was leading Korda 6-4, 4-2 at the time.

As Becker raised a fist and then a pair of thumbs to his admirers, his thick applause was drifting over to Kiefer's match like a smoke signal. Within moments the other German had responded by finishing off Kafelnikov, who didn't win a game after the restart.

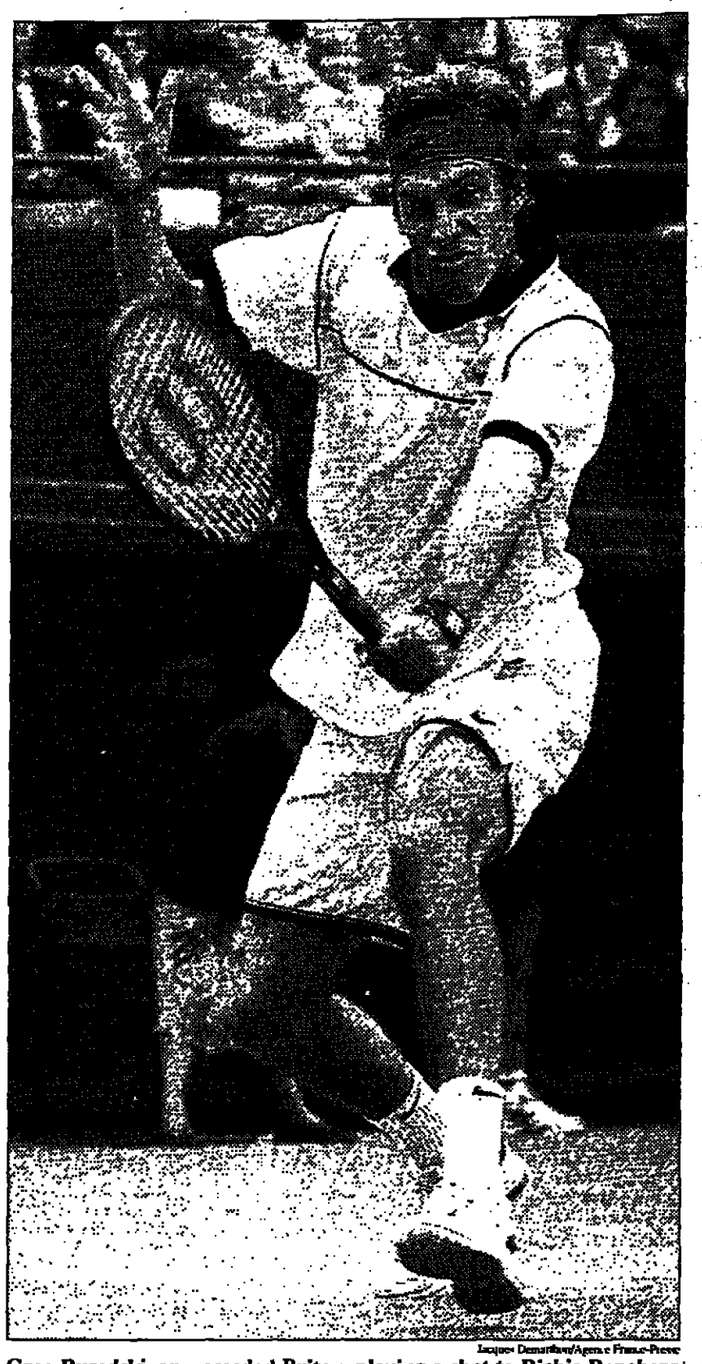
"It's funny to have a pupil in the quarterfinal too," said Becker, 29. When he was Kiefer's age, Becker already had two Wimbledon titles. Kiefer, however, has the chance to do something Becker didn't do — win his Wimbledon debut.

Last year Becker's German sponsor, Mercedes, put together a "team" of German juniors to develop the next Becker. There have been fears that the sport will die in Germany after the imminent retirements of Becker and Steffi Graf. It is a problem for all of European professional tennis, which revolves around the dominant German market. The manager of the team to find the next Becker is, of course, Becker.

"I talk to him before matches, and he goes out and beats the whole world," Becker joked, a little proudly, of Kiefer, who had upset No. 13 Andrei Medvedev of the Ukraine in the preceding round. "You know, I just hope that he stays on the ground for another couple of days, and plays as he should play."

Waiting on the bottom half of the draw, almost unnoticed, has been Stich, who has complained of being forgotten in the shadow of Becker. Stich, who beat Becker in the 1991 Wimbledon final, says he will retire this year because of shoulder problems. The only seed left in his bracket will be his next opponent, either Krajicek or Henman; the biggest threat might be Greg Rusedski, the big-serving Briton who beat the American Richey Reneberg, 7-6 (7-2), 6-4, 7-6 (7-4).

"I didn't come here relaxed," Stich, who beat Mark Woodforde of Australia, 6-4, 6-7 (3-7), 6-3, 7-5. "I expected myself to do well and to play well. I would rather win the tournament and say that's it, that's the best way to finish it, but it has nothing to do with me retiring after this. I won this tournament once before and that was no accident."



Jacques Demarthon/Agence France-Presse

Greg Rusedski, an unseeded Briton, playing a shot to Richie Reneberg of the United States on Tuesday. Rusedski won 7-6 (7-2), 6-4, 7-6 (7-4).

A Victory For Hingis, But 2d Teen Keeps Pace

The Associated Press

WIMBLEDON, England — Martina Hingis, the women's No. 1 seed, remained on course to become the youngest singles champion this century by beating Sabine Appelmans of Belgium, 6-1, 6-3, on Tuesday.

So did another 16-year-old, Anna Kournikova, an unseeded Russian, who overcame Helena Sukova, 2-6, 6-2, 6-3. Sukova, twice Kournikova's age at 32, double-faulted on match point.

Jana Novotna, the No. 3 seed, reached the quarterfinals for the sixth time in her career by beating Mary Joe Fernandez — the last American woman in the draw — 5-7, 6-4, 7-5. Fernandez, the No. 11 seed, disputed several line calls in the final set.

Arantxa Sanchez Vicario of Spain, the No. 8 seed, cruised into the quarterfinals with a 6-1, 6-3 victory over No. 9 Mary Pierce of France.

In other women's fourth-round matches, Yayuk Basuki beat Patricia Hy-Boulais, 6-0, 7-6 (7-2); Denisa Chaldkova topped Maria Alejandra Vento, 6-1, 6-3; Nathalie Tauziat outlasted Sandrine Testud, 4-6, 7-5, 12-10, and Iva Majoli, the No. 4 seed, beat Irina Spirlea, No. 12, 6-7, (8-10), 6-1, 9-7.

Meanwhile, Hingis needed just 66 minutes to complete a victory that came just before play was suspended by rain for the first time in four days. Hingis remains in position to set a record for youth this century at Wimbledon. The youngest singles champ was Charlotte (Lottie) Dod, who won at 15 years, 285 days in 1887.

"Nobody saw me as a favorite at the beginning of the tournament," Hingis said. "I got through pretty easily until now. I'm improving every match. I feel pretty good."

The Swiss teenager sailed through the first set in 27 minutes. Appelmans went up a break at 2-0 in the second, but Hingis took command again when she broke for 4-3. Two games later, Hingis broke Appelmans again to close out the match. Despite a swinging serve by Appelmans that pulled her off the court, Hingis stretched to hit a sliced backhand return that just dropped over the net for a winner.

"I got pretty lucky there," Hingis said. "I had almost no chance. I barely got to the ball."

"She's just a little better than most of us," Appelmans said.

An Opportunist Earns Himself a Bafana Boy Opportunity

World Soccer / **ROB HUGHES**

International Herald Tribune

JOHANNESBURG — In soccer, as in life, victory comes to those who recognize and use opportunities. And as South Africa prepares to reach the World Cup — for which its team must avoid defeat against Congo in the final qualifying match in Johannesburg on Aug. 17 — one real opportunist will be in the massive audience.

Pierre Issa, an emerging central defender with Olympique Marseille, wants to be a "Bafana Boy," a player for South Africa's national squad. He wants to play for South Africa so badly that he hunted down a young woman he believed could be his ticket to future glory.

This, however, is no tale of another athlete seeking a marriage of convenience.

Pierre Issa was born in South Africa, christened Peter, and changed his first name when the family settled in France when he was five.

Now 21, tall and slender and blooded in the French first division with some 15 appearances, he remembers his roots and hopes to turn a holiday in his homeland into a passport to permanent reconciliation there.

South Africa is going to try him out and he talks of instant elevation to the team that is on a vengeance mission following a 2-0 loss against Congo at Pointe Noire in the Republic of Congo last April. A tie would be enough to ensure that South Africa wins the group.

The newcomer knocking is unlikely to shift either Neil Tovey, the veteran defender, or Mark Fish, the powerful and spirited center back who last year joined Lazio of Rome.

They are men who proved their mettle when South Africa won the African Cup of Nations 18 months ago. Coach Clive Barker, himself an opportunist, trusts those who have done well for him before.

Nevertheless, Barker errs on the side of tenacity and sometimes selects an excess of defenders. His skipper, Lucas Radebe of Leeds United, is another central defender willing to attach himself closer than a raincoat to an opponent.

The redoubtable Doctor Khumalodoes that job, wrapping himself around creative players to stifle their flair. Eric Tinkler, who plays with Cagliari on the island of Sardinia, gives the side fast tempo.

They are Nations Cup winners, all.

Yet there is a place in Barker's scheme for new blood, the most dashing of which comes from a left winger known as The Midnight Express.

This player, alias Helman Mkhalele, shot a 25-meter (27-yard) goal in South Africa's 3-0 victory over Zambia in Johannesburg's FNB Stadium last month. He also darted and danced when South Africa lost the Nelson Mandela Challenge match, 2-0, to a half-strength Netherlands side in the same site.

The South African soccer team gels in spirit and a unity that the nation itself might embrace. Here it matters not if you are black, white or brown, but how you play the Barker game.

The time is ripe for another Bafana Bafana message — namely that this "new" Rainbow country has to accelerate the pace of integration to continue winning now that the initial Mandela affect has worn a little.

During the last month, the rugby Springboks, world champion in 1995, have regressed to lily white again. Without a non-white player, they are being mauled by the touring Lions of Britain and Ireland.

South Africa's cricket has lost impetus and bickers about the way forward.

With all this, the drum beats loudest and longest for soccer, the sport that defied apartheid and ignored the color of players' skins through the worst decades. The fathers of that game were brave, persistent and opportunist souls who stood their ground under oppression and threat.

Pierre, or Peter, Issa had parents able and willing to create a better life for him abroad. Now he is back, a citizen of France but eager as a springbok to jump into the World Cup campaign.

Barker will be the judge of that. But if opportunism holds the key, Issa has it in abundance. The story goes that he was chatting with a Korean girl in Cape Town when she mentioned that her "sister" Charlene knew all the Bafana Bafana.

After she left, Issa realized that this might be his chance. He raced around, asking every Asian girl he could find if she was Charlene. Nothing doing, he eventually was led to Charlene Weber, a blonde South African whose "sister" turned out to be a trendy friend.

Charlene worked at the soccer camp and took Issa, with his scrapbook and video tape, to a session.

"Got boots?" Barker asked. "Then its training at nine in the morning."

That's opportunism.

Rob Hughes is on the staff of The Times of London

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Baltimore	51	27	.654	—
New York	46	33	.582	5½
Toronto	37	40	.481	13½
Detroit	36	42	.462	15
Boston	36	44	.450	16

CENTRAL DIVISION

	W	L	Pct.	GB
Cleveland	40	35	.533	—
Chicago	40	39	.506	2
Milwaukee	37	40	.481	4
Kansas City	36	41	.468	5
Minnesota	35	44	.443	7

WEST DIVISION

	W	L	Pct.	GB
Seattle	47	34	.580	—
Anaheim	41	39	.513	5½
Texas	39	40	.494	7
Oakland	34	49	.410	14

NATIONAL LEAGUE

EAST DIVISION

	W	L	Pct.	GB
Atlanta	52	29	.642	—
Florida	48	32	.600	3½
New York	45	35	.563	6½
Montreal	45	35	.563	6½
Philadelphia	23	56	.291	28

CENTRAL DIVISION

	W	L	Pct.	GB
Houston	40	42	.488	—
St. Louis	39	41	.488	—
Pittsburgh	37	43	.463	2
Cincinnati	34	46	.425	5
Chicago	32	49	.395	7½

WEST DIVISION

	W	L	Pct.	GB
San Francisco	47	34	.580	—
Colorado	43	39	.524	4½
Los Angeles	39	42	.481	8
San Diego	36	45	.444	11

MONDAY'S LINESCORES

Kansas City	011	010	310	—7	11	1
Chicago (N)	101	000	15x	—8	17	0

Belcher, Pichardo (8), Bones (8), Casian (8) and Macfarlane; Trachsel, R. Tolls (7), Bottenfield (7), Pisciotta (8), Patterson (9), Rojas (9) and Servais. W—Pisciotta, 1-0. L—Bones, 0-1. Sv—Rojas (6). HRs—Kansas City, King (15), Dye (2). Chicago, MacGrace (6), D. Clark (2).

Montreal	010	001	000	—2	6	0
Toronto	000	000	100	—1	3	0

P.J.Martinez and Widger; Henigen and B. Santiago. W—P.J.Martinez, 10-3. L—Henigen, 8-5. HRs—Montreal, V. Guerrero (4). Toronto, C.Delgado (15).

New York (N)	000	000	000	—0	5	0
Detroit	200	125	22x	—14	15	0

M.Clark, Crawford (6), Kashiwada (8) and Hundley. ACastillo (8); Ju.Thompson, Bourlisis (9) and Casanova. W—Ju.Thompson, 8-6. L—M. Clark, 6-5. HRs—Detroit, Higginson 3 (12), O. Miller (2), Casanova (3), Easley (11).

Florida	300	200	210	—8	9	0
Boston	030	001	001	—5	7	4

A.Fernandez, F. Heredia (8), Nen (9) and C. Johnson; Wakefield, Hudson (7) and Hatteberg. W—A.Fernandez, 9-6. L— Wakefield, 3-8. HRs—B.Stanley (8), O'Leary (8).

Chicago (A)	100	000	000	—1	5	3
Pittsburgh	010	101	00x	—3	9	0

D.Darwin, Simas (8) and Fabregas; Lieber and Kendall. W—Lieber, 5-8. L—D. Darwin, 2-6. HRs—Pittsburgh, K. Young (8), Sweum (5).

Atlanta	000	000	000	0—0	6	1
New York (A)	000	000	000	1—1	12	0

Glavine, Bielecki (10) and J. Lopez; Pettitte, Kn.Rogers (6), Stanton (10) and Girardi. W—Stanton, 5-0. L—Bielecki, 3-4.

Minnesota	010	000	000	—1	12	0
St. Louis	011	000	00x	—2	6	0

Robertson, Trombley (7) and Steinbach; Morris, T.J.Mathews (8), Eckersley (9) and Lampkin. W—Morris, 6-4. L—Robertson, 7-5. Sv—Eckersley (17). HR—Minnesota, Becker (5).

Philadelphia	000	100	000	—1	6	0
Baltimore	006	000	20x	—8	8	0

Madura, R. Harris (7), Gomes (8) and Lieberthal; Mussina, Orosco (9) and Webster. W—Mussina, 10-2. L—Madura, 3-7. HR—Baltimore, C.Ripken (11).

Cleveland	000	001	212	—6	9	1
Houston	030	000	01	0—4	8	0

Nagy, Mormon (8), Mesa (8), M. Jackson (9) and Borders; Kile, Hudek (8), Martin (8) and Eusebio. Ausmus (8). W—Mesa, 1-4. L—Martin, 2-2. Sv—M. Jackson (9). HRs—Cleveland, Ma.Williams (19), Giles (8), Seitzer (21).

Milwaukee	111	000	000	—3	9	1
Cincinnati	020	001	10x	—4	9	0

Eldred, Adamson (5), Fetters (7) and Matheny; Mercker, Sullivan (8), Remlinger (8), Shaw (9) and J. Oliver. W—Mercker, 6-5. L—Fetters, 1-4. Sv—Shaw (16). HRs—Milwaukee, Loretta (4), Ge.Williams (7). Cincinnati, J. Oliver (5).

Texas	000	011	001	—3	9	0
Los Angeles	000	000	001	—2	6	0

Witt, Wetteland (9) and I. Rodriguez; I.Valdes, Radinsky (9), Osuna (9) and Piazza. W—Witt, 9-4. L—I. Valdes, 4-9. Sv—Wetteland (17). HR—Texas, Witt (1). Los Angeles, Piazza (16). Mondesi (16).

Anaheim	204	000	001	—7	16	2
Colorado	250	100	30x	—11	16	1

Grosa, Perisho (3), James (7), Hasegawa (8) and Leyritz; Holmes, Dipoto (3), DeJean (6), M. Munoz (7), S. Reed (8), Leskanic (9) and Manwaring. W—Dipoto, 2-1. L—Grosa, 1-1. HRs—Anaheim, Edmonds (13). Colorado, L. Walker (25), Galarraga (22).

San Diego	070	422	000	—15	19	2
Oakland	003	020	01	6—6	8	1

Ashby, Cunnane (8) and Flaherty; Wengert, D. Johnson (4), Groom (5), C. Reyes (7) and Ge.Williams. W—Ashby, 4-4. L—Wengert, 3-7. HRs—San Diego, Gwynn (13), G. Vaughn (9), Cr.Jones (5).

San Francisco	020	102	010	2—8	14	0
Seattle	100	004	001	0—6	12	0

Fourke, Tavarez (6), Beck (9), Poole (10), D. Henry (10) and Berryhill; Walcott, McCarthy (7), S. Sanders (8), Charlton (9), Ayala (10) and Marzano. Da.Wilson (9). W—Beck, 4-2. L—Charlton, 2-5. Sv—D. Henry (2). HRs—San Francisco, Kent (16), Snow (9), M.Lewis (6). Seattle, A. Rodriguez (11), E. Martinez (13), Sorrento (15).

AMERICAN LEAGUE ALL-STAR VOTING

First Basemen: 1, Tino Martinez, New York, 866,722. 2, Jim Thome, Cleveland, 847,416. 3, Frank Thomas, Chicago, 817,008.

Second Basemen: 1, Roberto Alomar, Baltimore, 1,657,416. 2, Chuck Knoblauch, Minnesota, 920,774. 3, Joey Cora, Seattle, 766,395.

Third Basemen: 1, Cal Ripken, Baltimore, 2,571,985. 2, Matt Williams, Cleveland, 1,226,778. 3, Wade Boggs, New York, 455,757.

Shortstops: 1, Alex Rodriguez, Seattle, 1,854,758. 2, Omar Vizquel, Cleveland, 954,822. 3, Derek Jeter, New York, 796,619.

Outfielders: 1, Ken Griffey, Jr., Seattle, 3,514,340. 2, David Justice, Cleveland, 1,840,716. 3, Brady Anderson, Baltimore, 1,197,617. 4, Juan Gonzalez, Texas, 869,235. 5, Marquis Grissom, Cleveland, 854,364. 6, Manny Ramirez, Cleveland, 801,585. 7, Jay Buhner, Seattle, 772,972. 8, Albert Belle, Chicago, 660,019. 9, Bernie Williams, New York, 585,380. 10, Eric Davis, Baltimore, 432,866.

Catchers: 1, Ivan Rodriguez, Texas, 1,666,384. 2, Sandy Alomar, Cleveland, 1,557,431. 3, Dan Wilson, Seattle, 571,336.

Designated Hitters: 1, Edgar Martinez, Seattle, 1,213,429. 2, Julio Franco, Cleveland, 897,505. 3, Cecil Fielder, New York, 781,617.

AMERICAN LEAGUE LEADERS

	G	AB	R	H	Avg.
FThomas ChW	66	236	54	89	.377
SAlomar Cle	60	223	38	83	.372
IRodriguez Tex	76	318	50	110	.346
EMartinez Sea	81	295	58	101	.342
Ramirez Cle	67	242	38	81	.335
MVaughn Bos	65	239	49	80	.335
Justice Cle	63	218	44	73	.335
Greer Tex	78	293	54	98	.334
WClark Tex	67	246	34	82	.333
Cora Sea	75	284	53	94	.331

RUNS—Griffey Jr, Seattle, 65; Knoblauch, Minnesota, 61; E. Martinez, Seattle, 58; Garciaparra, Boston, 56; TaClark, Detroit, 55; A. Rodriguez, Seattle, 55; T. Martinez, New York, 55.

RBI—Griffey Jr, Seattle, 79; T. Martinez, New York, 76; TaClark, Detroit, 70; Belle, Chicago, 66; McGwire, Oakland, 63; E. Martinez, Seattle, 61; Buhner, Seattle, 61.

HITS—I. Rodriguez, Texas, 110; E. Martinez, Seattle, 101; G. Anderson, Anaheim, 98; Greer, Texas, 98; Garciaparra, Boston, 96; T. Martinez, New York, 95; Cora, Seattle, 94.

DOUBLES—O. Neill, New York, 26; Cirillo, Milwaukee, 25; Sprague, Toronto, 25; Cora, Seattle, 25; I. Rodriguez, Texas, 24; A. Rodriguez, Seattle, 23; Greer, Texas, 23.

TRIPLES—Jeter, New York, 6; Garciaparra, Boston, 5; Offerman, Kansas City, 5; Vizquel, Cleveland, 5; 8 are tied with 4.

HOME RUNS—Griffey Jr, Seattle, 29; McGwire, Oakland, 29; T. Martinez, New York, 28; Thome, Cleveland, 22; Buhner, Seattle, 21; T. aClark, Detroit, 20; M. Vaughn, Boston, 20.

STOLEN BASES—B. LHunter, Detroit, 39; Nixon, Toronto, 34; Knoblauch, Minnesota, 32; T. Goodwin, Kansas City, 31; Vizquel, Cleveland, 26; Durham, Chicago, 19; Easley, Detroit, 17.

PITCHING (18 Decisions)—Clemens, Toronto, 12-2, .857, 1.79; R. aJohnson, Seattle, 11-2, .846, 2.18; Mussina, Baltimore, 10-2, .833, 3.16; Erickson, Baltimore, 10-3, .769, 3.29; Key, Baltimore, 11-4, .733, 2.46; Fossero, Seattle, 8-3, .727, 3.65; Cone, New York, 8-3, .727, 2.62.

STRIKEOUTS—RaJohnson, Seattle, 164; Cone, New York, 153; Clemens, Toronto, 122; Mussina, Baltimore, 108; Appier, Kansas City, 104; B. McDonald, Milwaukee, 95; Henigen, Toronto, 93.

SAVES—M. Rivera, New York, 26; RaMyers, Baltimore, 25; R. Hernandez, Chicago, 19; DaJones, Milwaukee, 19; Wetteland, Texas, 17; Taylor, Oakland, 15; Aguilera, Minnesota, 15.

NATIONAL LEAGUE LEADERS

	G	AB	R	H	Avg.
LWalker Col	79	292	79	119	.408
Gwynn SD	76	306	53	120	.392
Piazza LA	77	274	49	100	.365
Bagwell Aft	79	259	53	90	.347
Lofton Atl	67	285	50	98	.344
Joyner SD	65	228	34	77	.338
Galarraga Col	78	308	66	103	.334
Lankford StL	61	220	45	72	.327
Otero NYM	77	283	55	91	.322
McGrace ChC	72	264	42	84	.318

RUNS—L. Walker, Colorado, 79; Biggio, Houston, 69; Galarraga, Colorado, 66; Bonds, San Francisco, 58; EcYoung, Colorado, 57; Bagwell, Houston, 55; Olerud, New York, 55; Burks, Colorado, 55.

RBI—Galarraga, Colorado, 84; Bagwell, Houston, 72; L. Walker, Colorado, 68; Gwynn, San Diego, 67; Alou, Florida, 64; Bichette, Colorado, 64; ChJones, Atlanta, 62.

HITS—Gwynn, San Diego, 120; L. Walker, Colorado, 119; Galarraga, Colorado, 103; Biggio, Houston, 101; Piazza, Los Angeles, 100; Lofton, Atlanta, 98; EcYoung, Colorado, 97.

DOUBLES—Grudzielanek, Montreal, 29; Bagwell, Houston, 26; Morandini, Philadelphia, 26; L. Walker, Colorado, 25; Brogna, Philadelphia, 24; Bonilla, Florida, 24; Lansing, Montreal, 23; Snow, San Francisco, 23; Clayton, St. Louis, 23; Olerud, New York, 23.

TRIPLES—W. Guerrero, Los Angeles, 8; De. Shields, St. Louis, 8; Rondo, Pittsburgh, 7; Womack, Pittsburgh, 6; D. Sanders, Cincinnati, 6; Tucker, Atlanta, 5; EcYoung, Colorado, 5.

HOME RUNS—L. Walker, Colorado, 25; Bagwell, Houston, 22; Galarraga, Colorado, 22; Castilla, Colorado, 20; Hundley, New York, 19; Bonds, San Francisco, 19; Burks, Colorado, 17.

STOLEN BASES—D. Sanders, Cincinnati, 35; Womack, Pittsburgh, 31; D. eShields, St. Louis, 30; EcYoung, Colorado, 20; Clayton, St. Louis, 19; Lofton, Atlanta, 19; McCracken, Colorado, 18; L. Walker, Colorado, 18.

PITCHING (18 Decisions)—Neagle, Atlanta, 11-1, .917, 3.27; Estes, San Francisco, 11-2, .846, 2.72; Juden, Montreal, 9-2, .818, 4.11; P. JMartinez, Montreal, 10-3, .769, 1.54; G. Maddux, Atlanta, 10-3, .769, 2.55; B. JJones, New York, 12-4, .750, 2.67; Kile, Houston, 9-3, .750, 2.23.

STRIKEOUTS—Schilling, Philadelphia, 151; P. JMartinez, Montreal, 145; ABenes, St. Louis, 126; Nomo, Los Angeles, 125; K. JBrown, Florida, 112; Smoltz, Atlanta, 103; Kile, Houston, 97.

SAVES—Beck, San Francisco, 26; Nen, Florida, 23; JaFranco, New York, 19; Wohlers, Atlanta, 17; Eckersley, St. Louis, 17; Shaw, Cincinnati, 16; TeWorrell, Los Angeles, 16.

JAPANESE LEAGUES

CENTRAL LEAGUE

	W	L	T	Pct	GB
Yakult	44	23	0	.657	—
Hiroshima	34	31	0	.523	9
Hanshin	34	34	0	.500	10½
Chunichi	30	36	0	.455	13½
Yokohama	28	35	0	.444	14
Yomiuri	28	39	0	.418	16

PACIFIC LEAGUE

	W	L	T	Pct	GB
Orix	36	22	1	.621	—
Seibu	35	28	2	.556	3½
Daiei	37	32	0	.536	4½
Nippon Ham	33	35	0	.485	8
Lotte	26	37	2	.413	12½
Kintetsu	26	39	1	.400	13½

TUESDAY'S RESULTS

CENTRAL LEAGUE

Yakult 3, Yomiuri 2
Yokohama 1, Chunichi 0
Hanshin 3, Hiroshima 2

PACIFIC LEAGUE

Seibu 5, Orix 3
Daiei 4, Nippon Ham 3
Lotte 11, Kintetsu 3

BASKETBALL

EUROPEAN CHAMPIONSHIP

SECOND ROUND

GROUP E, IN GERONA

Greece 80, France 71
Lithuania 93, Turkey 85
Greece 85, Israel 82

STANDINGS: Greece 6 victories; Russia 4; Lithuania 4; Turkey 2; Israel 2; France 1.

GROUP F, IN BADALONA

Spain 104, Poland 61
Yugoslavia 64, Croatia 62
Poland 86, Germany 76

STANDINGS: Italy 5 victories; Spain 4; Yugoslavia 4; Poland 3; Croatia 1; Germany 1.

RUGBY UNION

BRITISH LIONS TOUR

TUESDAY, IN WELKOM, SOUTH AFRICA

British Lions 67, Northern Free State 39

SOCCER

WOMEN'S EUROPEAN CHAMPIONSHIPS

GROUP A, IN KARLSKRONA, SWEDEN

France 1, Spain 1
Sweden 2, Russia 1

GROUP B

IN MOSS, NORWAY

Germany 1, Italy 1

IN LILLESTROEM, NORWAY

Denmark 0, Norway 5

GOLF

JOHNNIE WALKER RYDER CUP

Standings for 1997 Ryder Cup to be played Sept. 26-28 at Valderrama in Sotogrande, Spain. Top 10 finishers will qualify for 12-man teams. U.S. captain Tom Kite and European captain Seve Ballesteros will select two players at large to complete each team:

UNITED STATES

1. Tom Lehman 1016.286; 2. Tiger Woods 1015.000; 3. Mark OMeara 801.250; 4. Brad Faxon 727.500; 5. Scott Hoch 711.946; 6. Tommy Tolles 689.285; 7. Phil Mickelson 659.286; 8. Jim Furyk 647.500; 9. Davis Love III 638.500; 10. Steve Jones 579.280; 11. Jeff Maggert 566.625; 12. Mark Brooks 549.750; 13. Justin Leonard 518.500; 13. Paul Stankowski 503.334; 15. David Duval 470.000.

EUROPE

1. Colin Montgomerie, Scotland 684.041
2. Ian Woosnam, Wales 458.366
3. Darren Clarke, N.Ireland 410.338
4. Bernhard Langer, Germany 364.027
5. Lee Westwood, England 321.731
6. Per-Ulrik Johansson, Sweden 318.255
7. Miguel Angel Martin, Spain 317.054
8. Thomas Bjorn, Denmark 299,014
9. Costantino Rocco, Italy 291,983
10. Paul Broadhurst, England 230,844
11. Jose Maria Olazabal, Spain 223,470
12. Sam Torrance, Scotland 214,707
13. Ignacio Garrido, Spain 212,801
14. Peter Mitchell, England 198,218
15. Mark James, England 185,375

TENNIS

WIMBLEDON

FOURTH ROUND

WOMEN'S SINGLES

Martina Hingis (1), Switzerland, def. Sabine Appelmans, Belgium, 6-1, 6-3; Yayuk Basuki, Indonesia, def. Patricia Hy-Boulais, Canada, 6-0, 7-6 (7-2).

Arantxa Sanchez Vicario (8), Spain, def. Mary Pierce (9), France, 6-1, 6-3; Nathalie Tauziat, France, def. Sandrine Testud, France, 4-6, 7-5, 12-10.

Denisa Chladkova, Czech Republic, def. Maria Alejandra Vento, Venezuela, 6-1 6-3; Jana Novotna, (3) Czech Republic, def. Mary Joe Fernandez (11), U.S., 5-7, 6-4, 7-5.

Anna Kournikova, Russia, def. Helena Sukova, Czech Republic, 2-6, 6-2, 6-3; Iva Majoli (4), Croatia, def. Irina Spirlea, (12), Romania 6-7 (8-10), 6-1, 9-7.

MEN'S SINGLES

Michael Stich, Germany, def. Mark Woodforde, Australia, 6-4, 6-7 (7-3), 6-3, 7-5; Cedric Pioline, France, def. Brett Steven, New Zealand, 3-6, 6-3, 6-4, 7-5.

Greg Rusedski, Britain, def. Richey Reneberg, United States, 7-6 (7-2), 6-4, 7-6 (7-4); Boris Becker (8), Germany, def. Marcelo Rios (9), Chile, 6-2, 6-2, 7-6 (7-5).

Todd Woodbridge, Australia, def. Patrick Rafter (12), Australia, 6-7 (7-2), 6-4, 7-6 (8-6), 6-3; Nicolas Kiefer, Germany, def. Yevgeny Kafelnikov (3), Russia, 6-2, 7-5, 2-6, 6-1.

صكذا من الاصل

هكذا من الأصل

SPORTS

Déjà Vu: Braves Fall Short in N.Y.

The Associated Press

The calendar said June, but the scoreboard made it feel like October again to the Atlanta Braves.

Luis Sojo's two-out single in the 10th inning scored Joe Girardi from second base with the game's only run on Monday night as the New York Yankees beat Atlanta, *1-0, in a rematch of last year's* World Series teams. As in Games 5 and 6 last fall, the Braves came up one run short against the Yankees. It was Atlanta's fifth straight loss to the AL champions.

"It wasn't October, but it's no less frustrating," said the Braves' starter, Tom Glavine, who pitched nine shutout innings. "That's the way it goes sometimes."

For nine innings, the teams played with postseason zeal as the zeros went up on the board. And while this first meeting between the clubs since Oct. 26 lacked the pregame hype and excitement *of last year's memorable* Series, the pitcher's duel between Glavine and Andy Pettitte — as well as the tie score after nine innings — gave everything an October feel.

In the 10th, Chad Curtis *singled with one out off Mike* Bielecki (3-4), but was thrown out by center fielder Andruw Jones trying to take third on Girardi's single. Derek Jeter then singled and Sojo grounded a single *through the middle.*

Girardi rounded third about the same time Jones fielded the ball, but his throw was late and Girardi raced across the plate and into the waiting arms of his teammates.

Glavine limited the Yankees to eight hits. The lefthander, who grew up a Boston Red Sox fan and always dreamed of pitching in Yankee Stadium, also got the world champs to ground into five double plays.

The Braves had gotten the go-ahead run to third with two outs in the top of the ninth. But Kenny Rogers, who replaced Pettitte in the sixth, got out of the jam by retiring Mike Mordecai on a slow *roller to third.*

Pettitte, who beat Atlanta in Game 5 last year, coasted through the first five innings, allowing three hits and striking out five. But the lefthander was forced to leave the game with a bruised calf after being struck on the left knee *by Javy Lopez's comebacker* with one out in the fifth.

Baseball Roundup

Rangers 3, Dodgers 2 In Los Angeles, Bobby Witt became the first American *League pitcher to hit a regular-season home run in* nearly 25 years, leading Texas to just its third victory in 13 games.

Witt (9-4) homered off Ismael Valdes (4-9) in the sixth inning to give Texas a 2-0 lead. Baltimore's Roric Harrison was the last AL pitcher to hit a regular-season homer, doing it at Cleveland on Oct. 3, 1972. Ken Holtzman homered for Oakland in the *1974 World Series against* Los Angeles.

Tigers 14, Mets 0 *Bobby* Higginson had three home runs and seven runs batted in, and the Tigers' starter, Justin Thompson, allowed four hits in eight innings.

Higginson hit a two-run *homer in the first, a three-run* shot in the sixth, and another two-run homer in the seventh to push his season total to 12. Raul Casanova, Damion Easley and Orlando Miller also homered for the host Tigers.

Orioles 8, Phillies 1 In Baltimore, Cal Ripken's second grand slam of the season highlighted a six-run third, and Mike Mussina (10-2) won his 100th game as the *Orioles routed Philadelphia* to end a four-game losing streak.

Mussina allowed six hits over eight innings to improve to a career mark of 100-43.

Giants 8, Mariners 6 Glen*allen Hill hit a run-scoring* single in the 10th inning and Mark Lewis added a sacrifice fly as San Francisco won in Seattle.

Edgar Martinez tied it in the ninth with a run-scoring single. Jeff Kent, J. T. Snow and Lewis also homered for the Giants, who are 6-1 in interleague play and 3-0 against Seattle.

Cardinals 2, Twins 1 In St. *Louis, Gary Gaetti, Min*nesota's star third baseman a decade ago, drove in the winning run with a third-inning single as St. Louis beat the Twins in the opener of a series matching the 1987 World *Series opponents.*

Rockies 11, Angels 7 In Denver, Colorado's Dante Bichette capped a five-run second inning with a two-run double, and also had two singles against his former team.

Larry Walker and Andres Galarraga hit consecutive homers in the first. Walker's 25th and Galarraga's 22d.

Indians 6, Astros 4 In Hous*ton, Kevin Seitzer hit a two*run, pinch-hit home run in the ninth inning, and Cleveland teammates Matt Williams and Brian Giles hit consecutive homers in the seventh.

Cubs 8, Royals 7 Dave *Clark's three-run, pinch-hit* homer with two outs in the eighth capped a five-run inning as the host Cubs rallied against Kansas City.

Kansas City built a 7-3 lead behind Jeff King's fifth *homer in seven interleague* games, and Jermaine Dye's career-high four hits. Dye and Chicago's Mark Grace also homered.

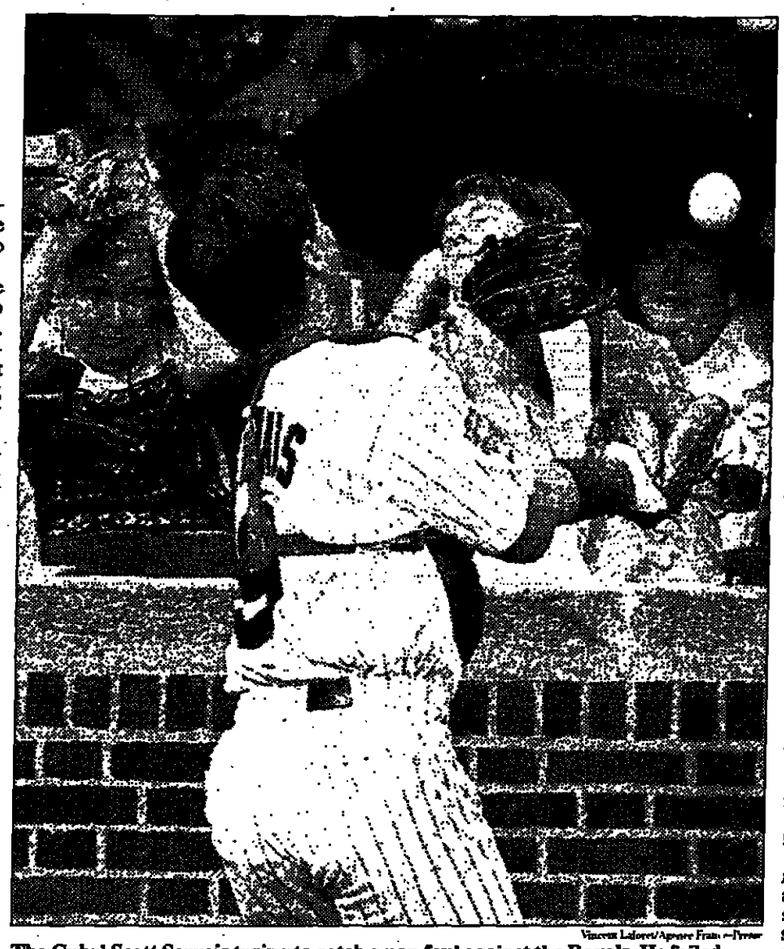
Marlins 8, Red Sox 5 Alex Fernandez (9-6) allowed four runs on *six hits in 7⅓* innings to win his fourth straight start as Florida won in Boston.

Florida scored five runs on four Boston errors, and Tim Wakefield (3-8) helped the Marlins with seven walks to go with the seven hits he allowed in 6⅔ innings.

Reds 4, Brewers 3 In Cincinnati, Joe Oliver homered and drove in the Reds' first three runs. Bret Boone knocked in the go-ahead run with a ground-out.

Pirates 3, White Sox 1 In Pittsburgh, Jon Lieber had a career-high 10 strikeouts and held Chicago to five hits in his second career complete game. Kevin Young and Dale Sveum homered.

Padres 15, Athletics 6 Tony *Gwynn, Chris Jones and Greg* Vaughn hit three-run homers and Wally Joyner tied a career high with five hits to help San Diego win in Oakland.



Vincent Laforet/Agence France-Presse

The Cubs' Scott Servais trying to catch a pop foul against the Royals. He failed.

Tyson Says He's Sorry

But Boxing Panel Swings Into Action

By Tim Kawakami
Los Angeles Times

LAS VEGAS — Mike Tyson came alone, wearing white, and asked forgiveness for biting Evander Holyfield's ears in their heavyweight championship bout.

Tyson, dressed in a pale suit with a bandage over the long cut on his right eyebrow, appeared without any of his entourage. Tense and animated, he read a prepared 4-minute 16-second statement Monday.

Tyson's appearance came on the eve of a preliminary meeting by the Nevada State Athletic Commission over his ear-biting attack on Evander Holyfield. On Tuesday, the commission voted to confirm an earlier decision to temporarily suspend Tyson and freeze his $30 million purse. It is allowed to permanently withhold up to 10 percent of the purse.

Tyson was not present at the hearing.

The commission also decided to serve Tyson with a complaint Tuesday. That would enable the disciplinary hearing to begin July 8.

"We're obviously going to ask for some reason and judgment" at the hearing, said *Marty Keach, a Tyson attorney.*

"He also wants to fight again. That's what he does for a living. That's what his whole life is based on," Keach said.

On Monday, his 31st birthday, Tyson apologized to the Commission.

Saying he was "in the prime of my ca*reer," Tyson said he would accept any pen*alty except a permanent ban. At least one source said Monday that several commissioners were leaning toward a two- or three-year ban.

"Saturday night was the worst night of my professional career as a boxer," Tyson said.

"I am here to apologize today, to ask the people who expect more from Mike Tyson to forgive me for snapping in that ring and doing something that I have never done before, and will never do again."

Tyson apologized to Holyfield, apparently mostly for derisive comments by his co*managers, John Horne and Rory Holloway.*

"I have also told everyone associated with me that I will not stand for any more of the nasty and insulting comments made to Mr. Evander Holyfield and his boxing team," Tyson said. "Evander, I am sorry. You are a champion, and I respect that."

In an interview with an Atlanta television station, Holyfield said the apology was "a good gesture."

"The fans truly deserve it most," Holyfield said. "They are the ones who didn't get to see a full show." Tyson also apologized to Indiana judge Patricia Gifford, who presided over his rape conviction more than five years ago and oversees his continuing probation. Tyson said that Gifford, "knows that I am proud to be living up to the terms of my probation."

During the melee in the ring after the disqualification, Tyson either shoved or struck a Las Vegas policeman which could be a violation of Tyson's parole. Metro police have given no sign that the matter will be *pursued criminally.*

Gifford told an Indianapolis newspaper that unless Tyson were charged with a crime, his behavior in the fight would probably not affect his probationary status. "I don't think misbehavior is a basis for probation revocation or review," Gifford said.

Comparing his action with Baltimore Oriole Roberto Alomar spitting in the face of an *umpire last year, Tyson said he* "snapped" after receiving a cut over his right eye when Holyfield butted him. The butt was ruled accidental by referee Mills Lane.

"For an athlete in the heat of battle to suddenly lose it is not new," Tyson said. "But, it's not right. And for me, it doesn't do anything. I was wrong. And I expect to pay the price, like a man. 'I expect the Nevada State Athletic Commission to hand down a severe penalty and I am here today to say I will not fight it. I only ask that I not be penalized for life for this mistake."

At the end of his statement, Tyson suggested that he has sought out psychological aid.

"I have also reached out since Saturday to the medical professionals for help," Tyson said, "to tell me why I did what I did. And I *will have that help. Now, I will continue to* train, not just my body, but my mind, too."

■ Forgiveness May Be Cheap

Boxing promoters said Tyson's enduring box office appeal meant that he could expect to fight again as soon as any ban ended, reported Richard Sandomir of The New York Times.

"He doesn't deserve a rematch with Holy*field and doesn't deserve to fight for a long* time," said Dino Duva, Holyfield's former promoter. "But a lot of people would fight him for the money he would generate. Mike still fascinates."

Without Tyson, U.S. pay-per-view television distributors would expect a reduction *in revenues because no other heavyweight is* as attractive. Tyson has participated in seven of the top 10 pay-per-view bouts ever.

"For the right money, there's forgiveness," said Bob Arum, another promoter.

In Canadian First, Expos Beat Blue Jays

Compiled by Our Staff From Dispatches

TORONTO — For the first time since baseball began playing the national anthem as a patriotic gesture in *the opening days of World War II, a* regular-season major league game began without "The Star-Spangled Banner."

Instead, on Monday night, the eve of Canada Day, a large crowd on the Canadian shores of Lake Ontario stood *while "O Canada" blared over the* loudspeakers of the Skydome in the historic first interleague meeting between the Toronto Blue Jays and their Canadian rivals, the Montreal Expos.

The game turned into a battle between two of baseball's best pitchers.

Montreal's Pedro Martinez outdueled Toronto's Pat Hentgen to lead the Expos to a 2-1 victory over the Blue Jays.

"He's one of the nastiest righthanders I've ever seen," Hentgen said. "Pedro was on top of his game, there's no question. That guy is really *nasty. As soon as I gave up the one run* I knew I was going to have to battle to keep us in the game."

Martinez (10-3) allowed just three hits over nine innings while striking out 10.

Hentgen (8-5), the 1996 Cy Young *Award winner, also pitched a com*plete game, giving up six hits and two earned runs and striking out three.

The lone blemish on Hentgen's evening was Vladimir Guerrero's solo homer in the second.

Martinez came into the game with a major-league best *1.58 earned-run av*erage and retired the first 12 batters he faced before walking Carlos Delgado to lead off the fifth. Martinez took a no-hitter into the sixth before Alex Gonzalez's lead-off single. Delgado broke Martinez's shutout bid with a solo homer in the seventh.

But Martinez brought many of announced crowd of 37,430 at the Sky-Dome to their feet by striking out Toronto's Joe Carter to end the game.

"If it was a masterpiece, it was a team masterpiece," Martinez said modestly. "My team played good de*fense out there."*

In an atmosphere best described as electric, there were as many vocal Montreal fans wearing Expos' caps and jerseys as Blue Jays supporters.

"I loved it," Martinez said. "They were cheering so loud that you didn't *know who was rooting for you or* against you. It was a lot of fun to see quite a few fans cheering for us." *(NYT, AP)*

A Law With a Biting Backlash

The Associated Press

CHARLOTTE, North Carolina — Mike Tyson should be glad he did not fight and bite Evander Holyfield in North Carolina. He might have been charged under a 243-year-old law that prohibits biting or cutting off ears, cutting noses or other maiming.

North Carolina's isn't the only law against biting. There is one in Nevada, where the Tyson-Holyfield fight was held, that has a penalty up to 10 years in prison for anyone who "deprives a human being of a member of his body, or disfigures or renders it useless."

In North Carolina, violation of the law is a felony and 11 persons were charged with it last year. The penalty is 20 months to 5 years in prison.

*The law grew out of the rough-and*tumble fighting style that was popular in the western Carolinas, Kentucky and Tennessee in the 18th century.

"It really was a reversion to that old kind of fighting," said Elliott Gorn, a professor at Miami University in Ohio, discussing the third round of Saturday night's heavyweight championship bout.

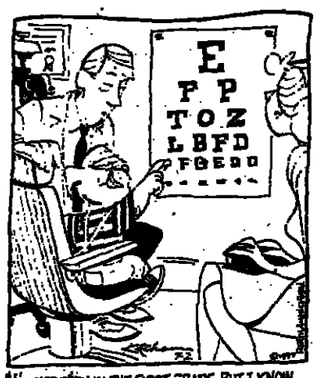
"He's a student of the history of the ring," he said of Tyson. "He knows about the old eye-gouging fights. I have to wonder if he didn't really know what he was doing."

Gorn, a scholar of rough-and-tumble fighting, has written: "The emphasis on maximum disfigurement, on severing bodily parts, made this fighting style unique."

Some fighters supposedly filed their teeth to make their bites sharper. Others "filed their fingernails hard, honed them *sharp and oiled them slick."*

Reacting to four deaths from such fights, North Carolina's Colonial governor demanded legislation barring such maiming.

DENNIS THE MENACE



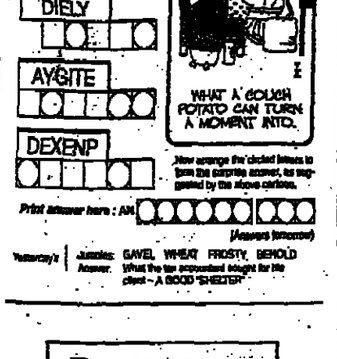
PEANUTS

CALVIN AND HOBBES

GARFIELD

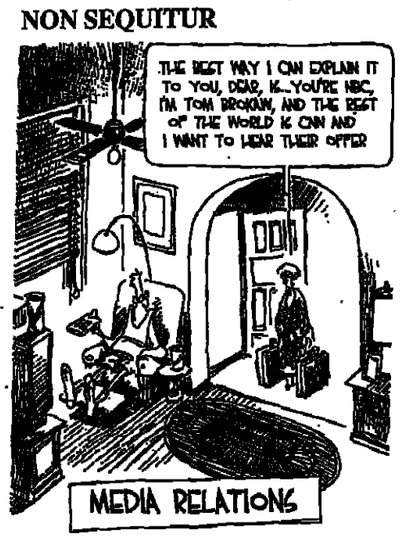
WIZARD of ID

JUMBLE



BEETLE BAILEY

NON SEQUITUR



DOONESBURY FLASHBACKS

BLONDIE

RECRUITMENT
Appears every Monday
in The Intermarket.
To advertise contact
Kimberly Guerrand-Betrancourt
Tel.: + 33 (0) 1 41 43 94 76
Fax: + 33 (0) 1 41 43 93 70
or your nearest IHT office
or representative.

OBSERVER

The Outrage Meter

By Russell Baker

NEW YORK — My outrage generator is out of order. Hard as I try to work up a full head of outrage about the tobacco industry, I cannot. It is alarming. Being outraged about big tobacco is the duty of every decent American just now. I cannot manage it.

On the other hand, I become purple with outrage when someone writes a sentence that begins, "On the other hand . . ."

You see what I mean: malfunctioning outrage generator. Not a drop of steam sizzling off the top of the skull about those vile tobacconists, but red-hot pedantic rage about flabby diction.

And what is my response to matters every decent American has a duty to smile upon? Outrage. Inappropriate outrage. The rich-voter-friendly tax cut now being planned by President Clinton and the Congress, for instance, produces only a sullen outrage.

□

Look at the case of the vile tobacconists, for whom I feel no outrage whatever. They were just another group of consumer-goods peddlers who used modern salesmanship methods to get people hooked on their product. We are asked to find them uniquely hateful because they used their wiles on children.

Struggling to achieve outrage, I end up asking why we should confine our anger to the tobacco set. Shouldn't we despise with equal fervor all consumer-goods salesmen who use modern advertising guile to make children crave their goods?

Dozens of different businesses are conditioning toddlers to lust for junk food, junk toys and just plain junk. Why is no one outraged by the Pied TV Pipers of Christmas and Saturday morning?

Unhealthy though tobacco is, common sense harnessed to a little will power can break its grip. Addiction to a life spent acquiring unnecessary consumer goods, however, may be just as destructive as a cigarette habit, and even harder to shake.

So back to Washington's cockamamie tax cut: I am outraged because nobody else is outraged about politicians for thinking us dumb enough to believe we can pay overdue bills by earning less money.

Outrage oozes from every pore when these duplicitous embalmers say tax cuts for the champagne classes are needed to encourage investment and spark business activity. I have to fight a childish impulse to ask hasn't anybody heard about Wall Street's big bull market deluging people with money.

I am foolishly outraged about a government, which having just refined the welfare law to deny paupers' tots a pot of beans, now plans to give boxcar-lots of money to the well heeled in the form of tax cuts.

This is foolish of me. Childish nonsense. Economic ignorance. Liberal elitist idiocy. Outdated humanitarianism. I am ashamed to have an antique, broken-down, malfunctioning, dysfunctional outrage generator that cranks up such pap, twaddle, piffle, drivel, poppycock, balderdash and malarkey.

I shall have it replaced. Then I shall enjoy fuming with righteous anger about the truly serious outrages that every decent American has a duty to be outraged about, if only to divert his attention from matters of genuine gravity.

New York Times Service

The Hong Kong Handover as a Movie Set

By Seth Faison
New York Times Service

HONG KONG — Filming a street scene in this hustling and bustling city has never been easy, what with all the local gangs of organized criminals who demand protection money virtually every time a camera sets up.

On top of these obstacles, Wayne Wang is directing sections of his new movie, "Chinese Box," smack in the middle of the chaos and hoopla surrounding Hong Kong's return to Chinese rule.

He and his crew have been filming several critical scenes in public places while historic events like the handover ceremony and the sailing away of the last British governor unfolded in the background.

In "Chinese Box," which stars Jeremy Irons as a dying British journalist and Gong Li as a reformed bar girl, Wang is trying to weave a story of imperfect love and disjointed relationships at a dramatic moment in history. The climax of the film comes for the fictional characters, as for the real city, in the last days of June.

Wang said he liked to mix the structure of a scripted event with the unpredictability of the moment. But there is so much daily uncertainty in filming "Chinese Box," he said, that he often wonders if the stress and anxiety are going to unhinge him. "Every day I get up and ask my wife, 'Why am I doing this?' " Wang said during a break from filming. "And she says, 'You want it this way.' "

"You have to try to use the chaos," he continued. "Hong Kong people work best on the fly. If you try to plan, it's never as good. But if you ask them, 'Can you do this right away?,' they give you their best work. I guess I'm like that, too."

The result, as one might expect, is that things are not quite going as expected. When he arrived to start filming this year, anticipating a widespread sense of impending calamity, Wang said, he was surprised to find that events were proceeding more smoothly and peacefully than he had expected.

Wang was born and reared here before moving to the United States in 1967, and despite frequent visits, he said, the immense changes here make him feel somewhat out of touch. "There aren't any police cracking heads of protesters," said Wang, who wrote the screenplay for "Chinese Box" with Jean-Claude Carriere ("Belle du Jour," "The Unbearable Lightness of Being"). "But that's O.K. It's more subtle, and I think that works better for the film."

Wang, who is 48, examined the subtleties of human relations in several of his earlier films, which include "The Joy Luck Club" and "Smoke."

After returning here this year, he said, he began to see the significance of the transfer of rule less in the arrival of Chinese troops and more in the potential for economic change and the danger of losing freedom over the long run. In "Chinese Box," he looks at how that affects human relations.

"I realized how much change has already been going on over the past 10 years," he said. "We tried to bring that into the film."

With the political background calmer than expected, Wang has found his biggest challenges to be more basic: shooting street scenes with actors as well known here as Gong Li, whose films include "Temptress Moon," "Farewell My Concubine" and "Raise the Red Lantern," and Maggie Cheung, a star of Hong Kong action movies. The filming is constantly interrupted by turning heads, stares and autograph seekers. "We have to put actors right in the middle of things," said Wang. "It's very hard to control exactly what happens."

Alan Chin/The New York Times

Wayne Wang setting up a scene in Hong Kong with Gong Li for his new film.

On Monday night, Irons shot a scene in Hong Kong's convention center, where many of the 8,000 journalists who came to cover the events are stationed. Since he did not hire them as extras, Wang asked the journalists to act naturally and not to look at the camera.

But as it turned out, Wang's biggest problem arose from outsiders' misconceptions about the level of danger in Hong Kong. Lawyers for another film Irons is shooting in Paris suddenly objected to the plan for the actor to return here for two days of shooting, demanding "political insurance" in case Irons was injured in a crackdown by China.

With that about as likely as an earthquake swallowing Irons in Paris, Wang was outraged. "They want us to pay $400,000 to insure him for two days," fumed Wang. "We don't have that kind of money. The whole idea is ridiculous." (Irons came without the insurance.)

There have been other obstacles, too, that have nothing to do with political events, namely local organized crime gangs, known here as "triads." During one day of shooting in Kowloon City, a crowded section of town, the crew hung sheets of light-diffusing white silk outside a building where they were filming. The chauffeur of a triad leader died unexpectedly that day, and since white is considered the color of death, the triads blamed Wang and his crew. "The next day we had to leave," said Wang. "There was nothing we could do. No amount of money would fix it. We had to find a new location and reshoot the entire scene."

With his background, Wang has a special perspective on Hong Kong. His parents escaped here from mainland China just 10 days before he was born — "My anxiety must come from my mother's traumatic pregnancy," he said — and he was educated in a school run by Irish Jesuits until his parents sent him to the United States.

After studying painting and film in California, Wang worked as a social worker in Chinatown in San Francisco. In 1982, he made his first movie, "Chan Is Missing," a humorous story based on people he had gotten to know there.

That marked the beginning of what Wang described as a conscious effort to tell stories about Chinese-Americans: "Dim Sum," "Eat a Bowl of Tea" and "The Joy Luck Club," based on Amy Tan's 1989 best seller. "I will go off and do something that has nothing to do with China, like 'Smoke,' but I think will always come back to it," said Wang.

Wang said he began conceiving a film about Hong Kong in 1997 when he came here to make a quick low-budget movie in 1989 called "Life is Cheap, but Toilet Paper Is Expensive." "That movie ends with the main character asking 'What's going to happen?' " he said. "That whetted my appetite about the whole issue."

The title "Chinese Box" implies the unknowable nature of China. "Like one of those Russian dolls, you can open layer after layer, but you still never know what's going to be inside," Wang said. "It's complex, it's secretive."

"Most people aren't going to shed a tear about the British leaving, and they're not so thrilled about the Chinese coming," he said. "But what they appreciate most is the freedom they've always had here. This sense of freedom, of having personal choices, will change. Or at least it remains unclear."

Mike Segar/Reuters

FUN AT THE FORUM — President Clinton embraces Whoopi Goldberg during a visit to "A Funny Thing Happened on the Way to the Forum" in New York. Al Gore and actor Dick Latessa provide support roles.

PEOPLE

WHISKY and Soda, **Chris Patten's** Norfolk terriers, have arrived in France to be cared for by the former Hong Kong governor's new neighbor until their master arrives. The two dogs arrived at Toulouse airport and were headed for the home of a neighbor in the village of Saint-Martin-Laguepie, where Patten is to write his memoirs. The terriers were shipped to France before Patten left the former British colony aboard the Royal yacht Britannia. They have been brought to Patten's retreat in the south of France to avoid Britain's strict quarantine laws.

□

Raquel Welch playing a woman pretending to be a man pretending to be a woman? Many New Yorkers didn't buy it. Welch's debut in the lead role of "Victor/Victoria," until now played by a more credible **Julie Andrews**, was snubbed by theatergoers and the theater had to offer tickets at half price to fill the seats. "When God created the splendid Welch, I think it is safe to assume that he didn't have a man in mind," the New York Post said. The Times agreed: "The show could be retitled 'Victoria/Victoria.' "

□

Duke Ellington was remembered Tuesday at the unveiling of a statue in the northeast corner of Central Park in New York. **Wynton Marsalis** and Ellington's granddaughter, the choreographer **Mercedes Ellington**, unveiled the sculpture at the gateway to Harlem, where Ellington made his mark on U.S. music history.

□

The writer **Ruth Shalit** has been let go by Gentlemen's Quarterly magazine. "We agreed mutually that she was unable to meet the stipulations of her contract," GQ's managing editor, **Marty Beiser**, said. Shalit has caused quite a ruckus as a writer, first by borrowing liberally without attribution from other writers and magazines, then by penning a controversial New Republic piece on race relations at The Washington Post. Beiser indicated that GQ wasn't so displeased with the quality of her work, but the quantity. "She has a full-time job at the New Republic, and her contract with us was like another full-time job," Beiser said. "Like Mike Tyson, she bit off more than she could chew."

□

Speaking at a rally against youth violence in Montgomery, Alabama, the rap star **Christopher Martin** said a broken marriage and poverty depressed him so much a few years ago that he held a loaded gun to his head. He never fired, he said, because God stepped in. "He said, 'You had your chance. Let me have my chance.' " Martin recalled. He said he was unprepared for success, and ran through his money by spending wildly and making bad investments. His marriage to the actress **Shari Headley** broke up after a year.

□

Loretta Lynn not only plans to sing at a gathering celebrating the Cherokee culture, she's also thinking about joining an American Indian dance around the bonfires to proclaim her own heritage. "I've got Cherokee on both sides. Both great-grandmothers," Lynn said. She will perform Saturday at Pow Wow 1997, a gathering at Loretta Lynn's Ranch Campground in Hurricane Mills, west of Nashville, Tennessee.

□

The singer **Sade** will be arrested if she returns to Jamaica after a magistrate issued a warrant for the Nigerian-born star, who is accused of dangerous driving. Sade allegedly led police on a high-speed chase along Montego Bay's coastal highway in February. She has failed three times to appear in the Magistrate's Court in Jamaican's northwest, where she had been living with her companion and their child. In court, **Victor Robinson**, her lawyer, said he had not heard from Sade and had no idea where she was. "She now has a new lawyer," he snapped. Last week, Robinson told the court that a man had called his office to say Sade was in London. He pleaded then for more time for her to make an appearance.

When in 172-1011,
do as the 172-1011's do.

Every country has its own AT&T Access Number which makes calling home and to other countries really easy. Just dial the AT&T Access Number for the country you're calling from and you'll get the fastest, clearest connections home. And be sure to charge your calls on your AT&T Calling Card. It'll help you avoid outrageous phone charges on your hotel bill and save you up to 60%.* So when in Rome (or anywhere else for that matter), do as many business travelers do. Use AT&T. Please check the list below for AT&T Access Numbers.

Steps to follow for easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial the calling card number listed above your name.

AT&T Access Numbers

EUROPE			
Austria●○	022-903-011	Sweden	020-795-611
Belgium●	0-800-100-10	Switzerland●	0800-89-0011
Czech Republic▲	00-42-000-101	United Kingdom▲	0500-89-0011
France	0-800-99-0011		0800-89-0011
Germany	0130-8010	**MIDDLE EAST**	
Greece●	00-800-1311	Egypt●(Cairo)▼	510-0200
Ireland	1-800-550-000	Israel	177-100-2727
Italy●	172-1011	Saudi Arabia○	1-800-10
Netherlands●	0800-022-9111	**AFRICA**	
Russia●▲(Moscow)▼	755-5042	Ghana	0191
Spain	900-99-00-11	Kenya▲	0-800-10
		South Africa	0-800-99-0123

Can't find the AT&T Access Number for the country you're calling from? Just ask any operator for AT&T Direct® Service, or visit our Web site at: http://www.att.com/traveler

AT&T

*Direct, clearest connections may not be available with some private or restricted telephone lines. ●Country-to-country prepaid telephone charges based on calls to the U.S. effective 10/95. Actual charges may be higher or lower depending on your billing method. Sometimes you hear a recording in English before your call is connected. ▲Public phones require deposit or coin or phone card for dial tone. ○Calling is available from most major hotels. Public phone might require local coin payment during call. ▼Limited availability. Not available from all locations. Additional charges may apply. Wherever you call from, it's all part of the right connection.™ AT&T